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THE CULTURAL
FABRIC OF
HAMILTON AND AREA:
AN ANALYSIS
OF CULTURAL ACTIVITIES

1999

THIS STUDY IS SPONSORED BY THE ARTS ADVISORY COMMISSION THROUGH
THE CULTURE AND EVENT SERVICES BRANCH OF
THE DEPARTMENT OF CULTURE AND RECREATION, COMMUNITY SERVICES DIVISION OF
THE CITY OF HAMILTON;
AND HAS BEEN GENEROUSLY SUPPORTED BY THE HAMILTON COMMUNITY FOUNDATION.

THE CULTURAL FABRIC OF HAMILTON & AREA

An Analysis of Cultural Activities

**Department of Culture and Recreation
City of Hamilton**

May 28, 1999

This study of the cultural activity of Hamilton and area is sponsored by the Arts Advisory Commission through the Culture and Event Services Branch of the Department of Culture and Recreation, Community Services Division of the City of Hamilton; and, has been generously supported by the Hamilton Community Foundation.



**CITY OF HAMILTON AND
REGIONAL MUNICIPALITY OF
HAMILTON-WENTWORTH**

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1999 August 30

The Arts component of the Culture Branch of the Department of Culture and Recreation fulfills an important role within the cultural and heritage community. Its mandate is to reach out to the Hamilton arts community through a variety of initiatives, events and vehicles within the scope of the Arts Policy Statement (1989) which states that, "The City of Hamilton will promote an environment for its citizens which encourages processes leading to creative achievements; which provides access to artistic experiences; which enhances and acknowledges the vital role played by the arts in the life of this community." To carry out this Mandate, cultural staff work closely with the Arts Advisory Commission, a citizen's group, to ensure that arts achievements are celebrated and supported in our community and that City Council is kept informed of arts issues.

At a recent work planning session in 1998, the members of the Arts Advisory Commission and staff agreed, with Parks and Recreation Committee approval, to initiate a survey and subsequent report to examine the well-being and state of the arts in Hamilton and area. The Report is the end result of six months of information gathering and analysis. The data and issues detailed in the Report provide a snapshot of the current cultural make-up of Hamilton and area, and will direct the activities of the Arts Advisory Commission —and arts division in future business and strategic plans.

I would like to take this opportunity to thank the Hamilton Community Foundation for their financial support of the Cultural Activity Analysis Study and to the members of the Arts Advisory Commission, past and present, who initiated the project. Our appreciation also is extended to Nick Sidoruk of Opinion Research, Dundas, who analyzed the received data and wrote the final report and recommendation. Finally, I would like to thank all of the arts organizations in Hamilton and area that took the time to fill out and return the survey. Without their responses, this Report would never have been forthcoming.

Yours truly,

Ken Duncliffe, Director,
Culture and Recreation Department

KD\cp



**CITY OF HAMILTON AND
REGIONAL MUNICIPALITY OF
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1999 September 9

It is with great enthusiasm that I present the results of the City of Hamilton's cultural activity analysis *The Cultural Fabric of Hamilton and Area*. I am grateful to the City's Arts Advisory Commission (AAC) which over the past 3 years has steered the production of this document. The Commission members are listed on the attached page.

With the generous financial assistance of the Hamilton Community Foundation, the Arts Advisory Commission through this Report has been able to further its commitment to monitoring the state of the arts in Hamilton and area in order to bring relevant information to City Council. Subsequently, the information in the Report will be used to advocate on behalf of the arts and encourage the exploration of initiatives for future planning. The Report identifies communication, advocacy and professional development and training as key areas for development.

In 1996, the Arts Advisory Commission produced a commentary on business and the arts entitled *Arts in the 21st Century: Surviving an Art Attack*. In 1997, in collaboration with practicing artists, the Commission produced *Artsworking*. These publications were constituent-specific and did not address the overall fabric of the Hamilton and area cultural community. With this latest Report, *The Cultural Fabric of Hamilton and Area*, the Commission has tackled the overall view. This is a new stage in the Commission's history and signals greater active participation and direction in the cultural life of the community.

At its Annual Work Plan meeting in June 1999, the Commission determined that the next stage of its work will include a series of community conversations to broaden the findings of the cultural activities analysis and offer practical community-based solutions to shared challenges within the Hamilton arts community.

The *Cultural Fabric of Hamilton and Area* could not have been possible without support. To those of you who participated in the cultural activity analysis by completing the survey, many thanks for your contribution. To the Hamilton Community Foundation, thank you for assisting with the cost of conducting the analysis. To members of our community who read this report, thank you for your interest in the vitality of our cultural fabric. Please continue to work with us to make arts and culture thrive in Hamilton and area.

Sincerely,

Catherine M. Pead,
Chair, Arts Advisory Commission
City of Hamilton

CP\cp
Attachment

CITY OF HAMILTON ARTS ADVISORY COMMISSION

1997/1998

Chair: Peter Rogers
Vice Chair: Don Moffat
Alderman Marvin Caplan

1998/1999

Chair: Tricia Naber
Vice Chair: Graeme Aitken
Alderman Ron Corsini

1999/2000

Chair: Catherine Pead
Vice Chair: Brenda Faloney
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Don Moffat
Catherine Pead
Susan Penrose
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Peter Rogers
Marvin Ryder
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Susan Worthington

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EXECUTIVE SUMMARY

The Cultural Fabric of Hamilton City An Analysis of Cultural Activities

This study of the cultural fabric of Hamilton City was a project of the Arts Council of Hamilton, Ontario, and was conducted by the Department of Culture and Recreation, City of Hamilton, Ontario. The study was completed in the fall of 1980 and is being published by the Hamilton Community Foundation.

This report of the Cultural Fabric of Hamilton City is a study of the cultural activities of the city. It is divided into four main sections: (1) Types of activities, (2) Types of organizations, (3) Types of participants, and (4) Types of funding. The study was conducted by the Department of Culture and Recreation, City of Hamilton, Ontario. The study was completed in the fall of 1980 and is being published by the Hamilton Community Foundation.

EXECUTIVE SUMMARY

A study of the cultural fabric of Hamilton City was conducted by the Department of Culture and Recreation, City of Hamilton, Ontario. The study was completed in the fall of 1980 and is being published by the Hamilton Community Foundation. The study was conducted by the Department of Culture and Recreation, City of Hamilton, Ontario. The study was completed in the fall of 1980 and is being published by the Hamilton Community Foundation.

In total, 107 organizations and individuals were identified in the study who were involved in cultural activities. The study was conducted by the Department of Culture and Recreation, City of Hamilton, Ontario. The study was completed in the fall of 1980 and is being published by the Hamilton Community Foundation. The study was conducted by the Department of Culture and Recreation, City of Hamilton, Ontario. The study was completed in the fall of 1980 and is being published by the Hamilton Community Foundation.

The following is a summary of the study's main findings. The study was conducted by the Department of Culture and Recreation, City of Hamilton, Ontario. The study was completed in the fall of 1980 and is being published by the Hamilton Community Foundation. The study was conducted by the Department of Culture and Recreation, City of Hamilton, Ontario. The study was completed in the fall of 1980 and is being published by the Hamilton Community Foundation.

Types of Organizations Participating in Cultural Activities

1. A wide range of different types of organizations were found to be involved in the arts and cultural activities of Hamilton City. The study was conducted by the Department of Culture and Recreation, City of Hamilton, Ontario. The study was completed in the fall of 1980 and is being published by the Hamilton Community Foundation.

2. It was found that outside of the regular school system, and within the arts and cultural community, a large number of educational opportunities exist. *(Page 14 & 17)*

Market and Audience Profiles

3. It was observed that over the past three years, there had been an annual (median) increase in the number of members and sponsors; but, that there had been some decline in attendance at cultural events over the same time period. *(Page 20;21; & 22)*
4. Almost one-quarter of the average audience came from outside of the region pointing to the strength of the local cultural community and the ability of organizations to draw audiences from outside their own municipality. *(Page 22 &23)*
5. Opportunities were found to exist for more effective marketing -- particularly with respect to teenagers (and in collecting current market research data). *(Page 23-25)*

Staffing: Employees and Volunteers

6. The most noticeable change in employment patterns over the years was an observed increase in the number of part-time jobs being provided by arts and cultural organizations. Also, these organizations have made greater use of contract employees in the nineties than was the case in the eighties. *(Page 27 & 28)*
7. An already extensive use of volunteers was observed in the arts and cultural organizations. *(Page 13; 31; 32; and, 33)*

Professional Development and Training

8. It was observed that more organizations provided training in-house as opposed to having external producers perform this task. Also, there was a tendency for more organizations to provide technical training for its paid employees as opposed to its volunteers. Mentoring programmes were disproportionately offered more to the volunteers. *(Page 33 & 34)*

Economic Activity

9. "Total Expenditures", and "Total Operations Expenditures" in particular, were found to have increased over the three years studied. *(Page 36)*
10. "Total Revenues" had also increased annually. A steady annual increase was observed in revenues from donations/sponsorships and in revenues from endowment and investment funds. *(Page 38)*

11. On the other hand, Revenues from government grants displayed a downward trend and have steadily decreased. *(Page 38)*
12. Earned revenues from ticket sales, subscriptions and memberships has tended to provide the greatest source of income for arts and cultural organizations. *(Page 39)*
13. It was observed that the "average" total expenditure for an organization has actually declined steadily. *(Page 40)*
14. Whereas the analysis of the "total" financial activities showed a relatively vibrant cultural community (with only government grants on a steady decline), a similar analysis of the "average" financial activities of the cultural organizations presented a different picture. *(Page 40)*
15. When "average" revenues were examined, it was found that revenues from only donations and sponsorships exhibited an increase each year. *(Page 41)*
16. On the "expense" side of the ledger, the "Average Total Expenditures" were observed to be lower each year. *(Page 42)*
17. Average operations expenditures decreased annually accounting for the annual decrease in total expenditures. *(Page 42)*
18. With respect to revenues, the "median" monies received from: (1) government grants; (2) earned revenues; (3) endowment and investment funds; and, (4) "Total Revenues", were all consistently lower in 1997/98 than in 1996/97; and, the figures for 1996/97 were consistently lower than in 1995/96. *(Page 44)*
19. On the other hand, the "median" operations expenditures and "Total Expenditures" have steadily increased each year. *(Page 44)*
20. The results from the analysis of medians are particularly revealing and suggest that smaller organizations may be experiencing some financial difficulty – their revenues are declining compounded by an increase in expenditures. *(Page 44)*
21. After comparing the "Total", "Average" and "Mid-point" findings, clear converging and convincing evidence was found in only one area of financial activity relating to the arts and cultural organizations in Hamilton and the surrounding area -- revenues received from government grants have consistently declined over the three year period studied. *(Page 39; 42; and, 44 – Tables 2.24a; 2.25a; and, 2.26a)*

A large number of people, from all over the world, have been involved in the development of the first book of the series. The book is the result of a long and arduous process, and it is the hope of the author that it will be of use to many people. The book is the result of a long and arduous process, and it is the hope of the author that it will be of use to many people. The book is the result of a long and arduous process, and it is the hope of the author that it will be of use to many people.

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1.0 INTRODUCTION

Through many years of experience, the author has developed a deep understanding of the subject. The book is the result of a long and arduous process, and it is the hope of the author that it will be of use to many people. The book is the result of a long and arduous process, and it is the hope of the author that it will be of use to many people. The book is the result of a long and arduous process, and it is the hope of the author that it will be of use to many people.

The objectives of this study were:

- (a) To determine the overall impact of the community on the environment.
- (b) To analyze the impact of the community on the environment, taking into account the following factors:
 - Programs, projects, and activities.
 - Public affairs, education, and training.
 - Health, safety, and security.
 - Volunteerism.
 - Community development and improvement.
 - Physical, social, and economic development.

Chapter Two describes the methodology used in the study and compares the results of the study with other studies in the field. Chapter Three discusses the findings of the study and the author's conclusions. Chapter Four discusses the author's recommendations for future research.

representativeness of the returned questionnaires; and, some notes of caution have been provided for the reader.

Hamilton and the surrounding area was defined to include the Regional Municipality of Hamilton-Wentworth and the City of Burlington. There were several reasons for including Burlington in the study: (1) In 1985 the Hamilton and Region Arts Council conducted a study titled, "Report on the Impact of the Arts on the Bay Area Economy" and had included Burlington in its study – including Burlington here would allow for an analysis of long-term trends in the arts and cultural community by comparing the 1985 findings to the results of this 1999 study; (2) Some members of the Hamilton and Region Arts Council are from Burlington; (3) Burlington is in the Stabilization Program of the Hamilton Community Foundation; and, (4) Burlington is a member of the Bay Area Arts Collective.

In part, the purpose of this study was to identify: (a) who participates in the cultural life of Hamilton and area (volunteers, consumers, suppliers, artist-producers etc.); (b) which organizations demonstrate growth; and, (c) which organizations have decreasing audiences, sponsorships basis, volunteers, and programs.

Chapter Three therefore, describes **The Cultural Fabric of Hamilton & Area** and the analysis is separated into five distinct areas of interest:

- (1) Types of organizations including their programs and activities;
- (2) Market and audience profiles;
- (3) Staffing: employees and volunteers;
- (4) Professional development; and,
- (5) Economic activity.

This chapter also explores the nature and extent of educational opportunities outside of the regular school systems.

Chapter Four presents the **Summary and Conclusions**.

2.0 METHODOLOGICAL BACKGROUND

2.0 METHODOLOGICAL BACKGROUND

A mail-out questionnaire for this study was constructed with the assistance of Professor Marvin Ryder, Assistant Vice-President, Information Services and Technology at McMaster University. Department of Culture and Recreation staff was responsible for the sample selection, questionnaire distribution and data collection. Questionnaires were mailed on March 18 and a return was requested by April 9. (See Appendix A for a copy of the questionnaire and covering letter.) To increase response rates, a fax memo was sent to non-respondents, a second copy of the questionnaire was mailed on April 14; and, personal follow-up telephone calls were made by City staff to encourage non-respondents to participate. (See Appendix B for a copy of the follow-up correspondence). The final set of completed questionnaires was given to Opinion Research Centre on April 29 for data entry, data analysis and report writing. (Three questionnaires were received after the April 29 cut-off date and were returned too late to be included in the analysis.)

2.1 Sample

City Staff compiled an extensive listing of agencies, organizations and businesses serving the arts and cultural community in Hamilton-Wentworth and Burlington. Although many different sources were used to identify the listing, the 1997-1999 Arts Directory published by the Hamilton and Region Arts Council provided the base. The intent was to identify the "universe" of organizations active in the area's arts and cultural community. In total, 257 non-profit and for-profit organizations in the area were identified. This size of data set is quite manageable for a mail-out questionnaire and it was not necessary to draw a sample.

2.2 Response Rates

For the study as a whole the response rate was very disappointing. Information from only 76 organizations was received from the 257 organizations listed in the sampling frame. This represents an overall response rate of only 29.6%. See Table 2.1 below. Also, some organizations were no longer in existence and some had moved leaving no forwarding address. In total, 18 organizations in the original listing were classified as "defunct".

Table 2.1 RESPONSE RATE FOR THE STUDY AS A WHOLE

Number of Organizations Listed in Sampling Frame	257
Number of Organizations Responding	76
OVERALL RESPONSE RATE	29.6%
*Number of Questionnaires Returned	(N=42)

* In some cases, a "parent" organization returned a single questionnaire with one set of combined responses for a number of "sponsored" or other organizations under its "umbrella". Therefore the number of actual questionnaires available for analysis is less than the number of organizations reported above as responding.

An example of an "umbrella" organization is the Burlington Art Centre which is the home for seven resident guilds and where one questionnaire with consolidated information was returned. See the listing on page 8 for all of the organizations which are represented in this study and note the designated "parent" or "sponsoring" agencies and the organizations under their "umbrellas".

At the outset, during the design phase of this study, it was anticipated that "non-profit" organizations would be more likely to participate in the study than would "for-profit" businesses. As it turned out, this proved to be the case -- 92% of the organizations responding were from the non-profit sector (although only 60% of the questionnaires mailed out were to this sector). Given the nature of the questionnaire, where detailed financial information was requested, it is not surprising that some "for-profit" businesses did not take the time necessary to fill out the questionnaire even though every respondent was promised that, "All financial information will be held in confidence."

Only 6 questionnaires were received from the 102 for-profit businesses listed in the sampling frame -- this represents a response rate of only 5.9% from this sector. Unfortunately the opportunity to analyze the impact and involvement of the private sector on the area's arts and cultural community has been lost. Drawing conclusions from a sample of less than 6% of the population would be imprudent. On the other hand, information was received from 70 of the 155 non-profit organizations listed in the sampling frame for a **response rate of 45.2%**. See Table 2.2 for a summary of the response rates achieved for each sector.

Table 2.2 PROFIT STATUS AND REPRESENTATIVENESS OF THE SAMPLE

<u>PROFIT STATUS OF ORGANIZATION</u>	<u>NUMBER OF ORGANIZATIONS MAILED TO</u>	<u>NUMBER OF ORGANIZATIONS RESPONDING</u>	<u>RESPONSE RATES</u>	<u>QUESTIONNAIRES AVAILABLE FOR ANALYSIS</u>
Not for Profit	155 (60.3%)	70 (92.1%)	45.2%	36
For Profit	102 (39.7%)	6 (7.9%)	5.9%	6
TOTAL	257 (100%)	76 (100%)	29.6%	42

Note: In some cases, a "parent" organization returned a single questionnaire with one set of combined responses for a number of "sponsored" or other organizations under its "umbrella". Therefore the number of actual questionnaires available for analysis is less than the number of questionnaires reported above as being returned.

Staff from the Hamilton Department of Culture and Recreation provided the Analyst with a number of reports containing cultural activity analyses and economic activity analyses in the non-profit sector from earlier Hamilton studies, from other municipalities and from arts service organizations. The following is a summary of some of the methodological notes (and response rates where reported) for these studies.

Economic Impact of the Arts on the Region of Hamilton-Wentworth (Hamilton and Region Arts Council: 1990)

Data were collected from 13 arts and cultural organizations which were reported as representing 80% of the impact of the arts on the Hamilton-Wentworth Region (and excluded Burlington). The data were collected by phone and by mail by the McMaster University MBA Small Business Consulting Service. The 13 respondents in 1990 were:

*Art Gallery of Hamilton	Bach Elgar Choir	Creative Arts
Dundas Valley School of Art	*Hamilton Artists Inc.	*Opera Hamilton
Theatre Terra Nova	*Hamilton Philharmonic	*Textures
Hamilton Geritol Follies	*Theatre Aquarius	*Hamilton Place
* Hamilton and Region Arts Council		

Notes:

- (1) *Eight of the organizations included in the 1990 study returned questionnaires for this 1999 study. These 8 are marked with an asterisk.
- (2) Hamilton Philharmonic is considered as a returned questionnaire with the organization now operating as The New Hamilton Orchestra.
- (3) Theatre Terra Nova is now defunct.

Report on the Impact of the Arts on the Bay Area Economy (Hamilton and Region Arts Council: 1985)

This report is based upon a mail questionnaire survey of 75 arts organizations in Burlington and Hamilton-Wentworth. (No response rate was reported.)

The Economic Impact of OAC-funded Arts Organizations (1996)

This study conducted by Informetrica Limited was based upon questionnaires mailed to a sample of 277 (of the 853) arts organizations funded by the Ontario Arts Council. In total, 107 questionnaires were returned for a response rate of 38.6%.

The Economic Impact of the Arts on Sudbury and Region (1985)

Questionnaires were mailed to 75 non-profit arts organizations in the Sudbury area with 34 organizations responding which yielded a response rate of 45.3%.

The Economic Impact of the Arts on Tampa Bay (1996)

67 Arts and Cultural organizations returned questionnaires for this study. (No rates given.)

The Impact of the Non-Profit Arts on the Economy of San Francisco (1987)

Questionnaires were mailed to 367 non-profit arts organizations. In total 188 were returned for a 51.2% response rate.

From a review of the response rates of similar studies conducted in other communities, it can be seen that response rates for non-profit organizations can be expected to be in the range of 38% to 51%. The response rate for non-profit organizations in this study is 45.2% and is well within the range that could be expected for a cultural activities study.

City staff considered the principal activities of each of the organizations and categorized every organization into one of seven different functional groupings -- for both non-profit and for-profit organizations. The number of questionnaires mailed for each category and the number of questionnaires returned from each category was examined.

The "presenter" types of organizations were the most compliant with 61% of this group responding to the questionnaire. In turn, this group represents approximately two-thirds (67%) of the organizations providing information for this study -- although City staff had identified only 44% of all non-profit organizations as being "presenters". Even though "presenters" were over-represented in the data set, this did not present any major problem. See Table 2.3 below for a summary of response rates for the different activity groups.

**Table 2.3 PRINCIPAL ACTIVITY AND REPRESENTATIVENESS OF THE SAMPLE
Non-Profit Organizations Only**

<u>PRINCIPAL ACTIVITY OF ORGANIZATION</u>	<u>NUMBER OF ORGANIZATIONS MAILED TO</u>	<u>NUMBER OF ORGANIZATIONS RESPONDING</u>	<u>RESPONSE RATES</u>	<u>QUESTIONNAIRES AVAILABLE FOR ANALYSIS</u>
Presenters	68 (43.9%)	47 (67.1%)	61.1%	18
Producers/Performers	38 (24.5%)	10 (14.3%)	26.3%	10
Publishers	3 (1.9%)	0 (0.0%)	0.0%	0
Distributors	0 (0.0%)	not applicable	not applicable	not applicable
Educational Services	11 (7.1%)	3 (4.3%)	27.3%	3
Service Organizations	35 (22.6%)	10 (14.3%)	28.6%	5
Other Organizations	0 (0.0%)	not applicable	not applicable	not applicable
TOTAL	155 (100%)	70 (100%)	45.2%	36

Notes:

- (1) In some cases, a "parent" organization returned a single questionnaire with one set of combined responses for a number of "sponsored" or other organizations under its "umbrella". Therefore the number of actual questionnaires available for analysis is less than the number of questionnaires reported above as being returned.
- (2) Given that some respondents felt that their organization belonged in a different category, the respondents' self-classification was used throughout the analysis in this report.

Since there were so few questionnaires available for analysis in each of the functional categories it was not possible to conduct a meaningful analysis within or between the categories. Also, it was not possible to make meaningful statements identifying which organizations demonstrate growth; and, which organizations have decreasing audiences, sponsorship basis, volunteers, and programs – however, meaningful statements can be made about non-profit organizations as a whole.

2.3 Representativeness of the Sample

The 70 "non-profit" organizations participating in this study appear to represent a good cross-section of the listing of 155 non-profit organizations serving the arts and cultural community in the Hamilton area. However, the 6 responding "for-profit" organizations may not represent as good a cross-section of the 102 for-profit businesses in the listing. The Arts Advisory Commission and the Department of Culture and Recreation of the City of Hamilton are grateful to the following 76 organizations for participating in this study.

Artisans Guild of Hamilton	Hamilton Military Museum
*Wentworth Libraries	Ontario Workers Arts & Heritage Centre
—Ancaster	Burlington Guild of Sculptors & Woodcarvers
—Carlisle	Black Pearl Arts Services
—Freelton	Hamilton Leathercraft Guild
—Greenville	Canadian Warplane Heritage
—Lynden	Hamilton-Wentworth City Wide Choir
—Millgrove	The Children's International Learning Centre
—Rockton	Hamilton Children's Museum
—Sheffield	*Hamilton and Region Arts Council
—Waterdown	—Craft Committee
—Binbrook	—Forum for Theatre Committee
—Mount Hope	—Hamilton Spectator Gallery
—Saltfleet	—Music Committee
—Stoney Creek	—Visual Arts Committee
—Valley Park	Hamilton International Airshow Foundation
—Winona	Hamilton Museum of Steam & Technology
Mekler & Deahl, Publishers	M.E.S. Music Equipment Sales Ltd.
Symphony Hamilton	Potters' Guild of Hamilton and Region
Textures...a combined effort	Village Theatre (Waterdown) Inc.
Theatre Aquarius Inc.	Westdale Gallery on Augusta
Art Club of Hamilton	Dundas Art & Craft Association
Whitehern	The New Hamilton Orchestra
Hamilton Artists Inc.	Sandra Bald Jones Dance Studio
Art Gallery of Hamilton	*Burlington Art Centre
Dundas Public Library	—Burlington Fine Arts Guild
The Music Gallery Inc.	—Burlington Potters' Guild
Music Makers Inc.	—Burlington Handweaver's & Spinners Guild
Erland Lee (Museum) Home	—Burlington Rug Hooking Guild
*Hamilton Public Library	—LATOW Photographer's Guild
—Fine Arts Department	Binbrook Little Theatre Inc.
—Barton Branch	Hamilton Place — (through Hamilton Entertainment and & Convention Facilities Inc.)
—Concession Branch	Head-of-the-Lake Historical Society
—Kenilworth Branch	Opera Hamilton
—Picton Branch	Redeemer University College - Art Department
—Red Hill Branch	Te Deum Orchestra & Singers
—Terry Berry Branch	Women's Art Association of Hamilton
—Sherwood Branch	Glenhyrst Art Gallery of Brant — (excluded from analysis: out of area of study)
—Westdale Branch	

*Note: "Parent" or "Sponsoring" Agencies (with organizations under "its umbrella") are marked with an asterisk.

Recall that the Hamilton and Region Arts Council's 1990 study stated that its 13 participating organizations represented 80% of the impact of the arts on the Hamilton-Wentworth region. In this 1999 study, however, it is unclear what portion of the impact on Hamilton-Wentworth and Burlington is represented -- even though the number of questionnaires returned from the 70 non-profit organizations for this study is greater than the 13 reported in the 1990 study. The value of the current data set is increased knowing that only 4 of the existing organizations that participated in the 1990 study did not return a questionnaire for this (1999) study.

2.4 CAUTION TO THE READER

Three notes of caution are presented for the reader's attention relating to: (1) The use and interpretation of reported percentages; (2) Comparisons with other relevant local studies; and, (3) The use of totals, averages and medians in this report.

2.4.1 The Use and Interpretation of Reported Percentages

Throughout this report, percentages have been calculated and are reported to allow for easy comparisons. Percentages allow for standardization when comparing frequency distributions.

With only 36 questionnaires being returned from the "non-profit" sector and only 6 from the "for-profit" sector, the reader is cautioned that a shift of only a few cases from one category to another may result in a seemingly large shift in percentages. As such, the reader should be cautious and avoid placing too much emphasis on differences of only a few percentage points -- particularly in the case of the for-profit organizations. As an aid to the reader, the number of respondents who gave an answer to a particular question is reported and should be considered when deciding how much confidence should be placed in interpreting any differences in percentages. The number of observations or responses are reported as (N=). In particular, caution should be taken to not attach too much weight to the differences in percentages in the section relating to professional development -- due to the small number of organizations responding to these questions.

2.4.2 Comparisons With Other Relevant Local Studies

The purpose of this study is to report on the Cultural Fabric of Hamilton and Area in 1999. Given that two studies of the arts and cultural community had been conducted for the Hamilton and Region Arts Council in 1985 and 1990, it was felt that the earlier findings could be valuable in exploring possible changes in the "cultural fabric" over time. However, some problems were encountered when searching for these long-term trends.

The analysis of "attendance" at cultural events provides an illustration of one of the difficulties experienced. Consider the question, "How many people attend cultural events in the Hamilton area?" The questionnaire designed for this (1999) study asked a straightforward question to obtain each organization's attendance figures for 1998, 1997 and 1996. The "total attendance" for all organizations could then be readily calculated; and, short-term increases or decreases could easily be detected over this three year period. However, it was more difficult to measure meaningful increases or decreases in attendance over the long-term (from 1985 or from 1990) because of methodological issues.

In survey research, the answers given by a respondent are greatly affected by the phraseology of the questions being asked in the questionnaire. In other words, the reported "attendance" would be different with a different choice of words in the question being asked. Unfortunately, the "attendance" questions asked in the 1985 and 1990 studies differed from the questions asked in 1999. The section of this report dealing with attendance at cultural events shows that changes in "reported attendance" may be, in part, a function of changes in the phraseology of the question being asked. Therefore, the reader is cautioned not to place too much emphasis on long-term differences when making comparisons with the findings of earlier studies -- where the measuring instruments were not the same.

The questionnaire distributed for this study, however, does allow for a meaningful analysis of short-term changes over time for some topics where the respondents were asked to provide data for 1998, 1997 and 1996 (using the same question phraseology).

2.4.3 The Use of Totals, Averages and Medians

Another point for the reader to keep in mind when comparing the findings from different studies, or, from different points in time in the same study, is the number of respondents providing the information. Again consider the question, "How many people attend cultural events?" The "total" number would change depending on the number of organizations providing such information. To "control" for the varying number of respondents (for example, for the 1998, 1997 and 1996 "attendance" figures), "averages" can be calculated. In this report, the findings relating to "totals" are supplemented with the inclusion of "means" and the "medians". The "mean" is simply the "average" number reported. The "median" is the mid-point where there are an equal number of organizations above and below.

The use of "medians" is not unusual in studies of arts and cultural organizations. The San Francisco study cited earlier made use of "medians" in its analysis of financial expenditures, employment figures and audience attendance. That report noted that while most San Francisco non-profit organizations are quite small a very few large organizations account for a large percentage of the total economic activity. This description also applies to the arts community here -- and the use of "medians" is similarly appropriate in this report. Where the simple "average" may seem to be a somewhat unrealistic figure, the "median" is also presented and should be checked when central tendency is of interest.

As an illustration of when both the "mean" and the "median" should be examined, consider the library board -- as an example of a large organization active in the arts and cultural community and having in excess of 200,000 members visiting its many branches. Most other arts or cultural organizations are relatively much smaller with a substantially smaller number of members. The "average" number of members in an organization, therefore, might "seem" to be unrealistically high without knowing if the data is skewed. In this example, the "median" should also be checked. The reader should be cautious about relying too heavily simply on one measure or indicator. In some cases, it will be necessary to review the "totals", "averages" and "medians". This "library factor" will be discussed later and is particularly relevant to the discussion of revenues and expenditures.

3.0 CULTURAL FABRIC OF HAMILTON AND AREA

This chapter describes the overall cultural fabric of Hamilton-Wentworth and Burlington by examining: (1) the types of arts organizations serving the community; (2) the programmes and activities of these organizations; (3) the market and audience profiles; (4) the staffing arrangements; (5) the professional development of staff and volunteers; and, (6) the economic activities of these organizations.

3.1 Types of Organizations

Table 3.1 below describes the profit status of the responding organizations and presents a breakdown of the number of non-profit and for-profit questionnaires available for analysis in this study. For comparison purposes throughout this report, relevant findings from the 1985 and 1990 studies conducted for the Hamilton and Region Arts Council are reported. The reader should keep in mind that the 1999 and 1985 studies included Burlington but the 1990 study did not. Also, the 1990 study purports that the 13 organizations selected for that study represent 80% of the impacts on the community. One of the major differences between these three studies is that only the current 1999 study attempted to include for-profit organizations. (Unfortunately, only six such businesses responded.)

TABLE 3.1 PROFIT STATUS OF RESPONDING ORGANIZATIONS

<u>Profit Status</u>	<u>1999 Survey</u>	<u>1990 Survey</u>	<u>1985 Survey</u>
Not for Profit	86% (N=36)	100% (N=13)	100% (N=75)
For Profit	14 (N= 6)	0 (N= 0)	0 (N= 0)
TOTAL	100% (N=42) Hamilton-Wentworth and Burlington	100% (N=13) Hamilton-Wentworth only	100% (N=75) Hamilton-Wentworth and Burlington

The respondents were asked in this (1999) study if their organization operated predominantly with volunteers, predominantly with paid staff, or, with a combination of volunteers and professionals. As expected, the for-profit businesses operated essentially

with paid staff. However almost three-quarters (72%) of the non-profit arts and cultural organizations operated predominantly with volunteers or with a combination of volunteers and paid staff. See Table 3.2 below for a breakdown of the use of volunteers and paid staff. (An in-depth discussion of staffing in non-profit organizations takes place later in this chapter and volunteers who contribute their time to more than one organization will be considered at that time.)

TABLE 3.2 LABOUR STATUS

<u>Labour Status</u>	<u>Non-Profit</u>	<u>For-Profit</u>
Predominantly Paid Staff	28%	100%
Predominantly Volunteer	39	0
Combination	33	0
TOTAL	100%	100%
(N)	(36)	(6)

The respondents in this study were asked to describe the principal activity of their organization by checking one of the following seven categories that best described them:

(1) Presenters

Public Galleries/Artist-run Centres
Festivals
Film Exhibitors & Societies
Collectives
Museums
Libraries
Other (historic sites, special events)

(2) Service Organizations

Local Arts Service Organizations
Cultural Centres
Arts Service Organizations
Single Media Guilds Foundations
Associations
Unions

(3) Education Services

Theatre Schools
Dance Schools
Conservatories/Music Schools
Arts Schools
Other (universities, craft studios,
recreation centres with enhanced
art programmes)

(4) Producers/Performers

Theatre Companies
Dance Companies
Opera Companies
Choirs
Orchestras
Ensembles
Series
Musicians
Composers
Other Production Facilities (film, print)

(5) Distributors

Film distributors
Visual Arts distributors (commercial galleries)

(6) Publishers

Print, recording studios

(7) Other Organizations

Film & Video Equipment Rentals/leasing
Musical instruments – dealers & repairs
Framers
Art Supply Stores
Restorers & Appraisers

Indeed, a wide range of different types of organizations are involved in the arts and cultural community of Hamilton-Wentworth and Burlington; and, different functions tend to be performed by different sectors of the community. From the listing compiled by City staff, it was observed that more than two-thirds (68%) of the non-profit organizations and only 2% of the for-profit businesses were classified as "presenters". On the other hand, 29% of the private sector organizations are in "educational services" as compared to only 7% of the non-profit organizations. The information provided by City staff (and summarized in Table 3.3 below) provides a picture of who participates in the cultural life of the Hamilton area – in terms of the producers and suppliers. (The consumers and volunteers who participate will be described later.)

**TABLE 3.3 PRINCIPAL ACTIVITIES OF ORGANIZATIONS
IN HAMILTON-WENTWORTH AND BURLINGTON
(As Identified by City Staff)**

<u>Principal Activities</u>	<u>Non-Profit Organizations in the Community</u>	<u>For-Profit Organizations in the Community</u>
Presenters	44%	2%
Producers/Performers	25	2
Publishers	2	13
Distributors	0	14
Education Services	7	29
Service Organizations	23	1
Other Organizations	0	39
TOTAL	101%*	100%
(N)	(155)	(102)

* Note: Percentages do not add to 100% due to rounding.

Outside of the regular school system, and within the arts and cultural community, a large number of educational opportunities exist. Within Hamilton-Wentworth and Burlington, 30 for-profit businesses and 11 non-profit organizations were identified which are engaged

in providing such services. Included in the list were theatre schools, dance schools, arts schools, conservatories or music schools, craft studios, recreation centres with enhanced arts programs, and so on. Actually, more than a quarter (29%) of the for-profit businesses provide educational services.

In the non-profit sector, more than two-thirds (69%) of the respondents stated that the City of Hamilton was their home municipality; and in total, over 90% of all respondents reported that their home was located somewhere within the overall boundaries of the Regional Municipality of Hamilton-Wentworth. Only 6% (two) of the respondents reported that their home municipality was the City of Burlington. See Table 3.4 below.

TABLE 3.4 HOME MUNICIPALITY OF ORGANIZATIONS

<u>Municipality</u>	<u>Non-Profit</u>	<u>For Profit</u>
City of Hamilton	69%	100%
Elsewhere in Hamilton-Wentworth	25	0
Burlington	6	0
TOTAL	100% (N=36)	100% (N= 6)

Although only two questionnaires were returned from Burlington, they represented seven organizations. As a result, it was necessary to review the responses from the Burlington questionnaires separately to determine if their information should be included or excluded from the study. It would not be desirable to merge the Burlington and Hamilton-Wentworth responses into the same data set if the analysis and interpretation would be misleading. On the other hand, it would not be desirable to discard valuable information without good cause. (There were too few cases available to make a meaningful comparison of the two communities.)

The Burlington questionnaires included a relatively large organization which was financially sound. Total revenues had increased over each of the past three years and

total expenditures had fluctuated slightly over the same time period. Also, a net surplus of funds was observed for each of the past three years. Although this particular finding was not consistent with the results of the study as a whole, it did not distort or detract from the conclusions drawn later regarding the financial activities of the arts organizations. (The extensive use of "medians" in the analysis "controlled" for the Burlington factor.)

Also, for the Burlington organizations the revenues received in the form of government grants tended to fluctuate over each of the past three years -- which also was inconsistent with the general findings of the study. (Again, this finding did not distort the overall results and did not detract from the converging evidence relating to government grants.)

After taking everything into consideration, it was decided that the Burlington organizations would remain in the study since their responses did not obscure the overall conclusions and since their information was of great value. (Also, recall the reasons why the study was initially designed to include Burlington -- see page 2 of the "Introduction".)

All organizations were asked to report their organization's date of incorporation. Approximately two-thirds (69%) of the non-profit organizations (25 of the 36) did so but the question seemed to provide some difficulty for a few respondents. Some organizations have been in existence for quite some time but had become incorporated only recently. One respondent wrote, "Established in 1967...Incorporated 1984???". (Since the intent was not to capture legal incorporation, the 1967 date was used in this case.) Some organizations were small and may not have felt a need to incorporate. For example, one respondent wrote, "We are a group of amateur artists who meet regularly to paint and draw." In this case, there were no employees, no volunteers, no revenues and no expenses reported. Indeed, a wide range of organizations participated in this study. Almost two-thirds (64%) of the non-profit organizations which reported a date of incorporation indicated that incorporation took place more than 20 years ago; but, 3 of the 5 responding businesses incorporated more recently -- actually within the past ten years. See Table 3.5 below.

TABLE 3.5 DATE OF INCORPORATION

<u>Year Incorporated</u>	<u>Non-Profit</u>	<u>For Profit</u>
1969 and earlier	28%	20%
1970 - 1979	36	20
1980 -1989	28	0
1990 -1999	8	60
TOTAL	100%	100%
(N)	(25)	(5)

3.2 Programmes and Activities

The respondents were asked to describe the organizations' programmes and/or activities in terms of seven categories which are listed in Table 3.6 below. A substantial number (70%) of the responding organizations were actively involved with either permanent or temporary exhibitions. Also, there was further evidence that educational opportunities exist outside of the regular school system -- 44% of the organizations reported that they were involved in instructional classes relating to art, dance, drama, etc.; and, almost one-third (31%) were involved with professional development.

TABLE 3.6 PROGRAMMES AND ACTIVITIES

<u>Principal Activities</u>	<u>Non-Profit</u>	<u>For-Profit</u>
Exhibitions (temporary and/or permanent)	70% (N=25)	15% (N=2)
Performances	53% (N=19)	17% (N=1)
Equipment or Services	20% (N= 7)	50% (N=3)
Instructional Classes (art, dance, drama, etc.)	44% (N=16)	50% (N=3)
Professional Development	31% (N=11)	17% (N=1)
Advocacy	8% (N= 3)	17% (N=1)
*Other	28% (N=10)	% (N=0)

*Some reported examples were: care of collection & archives, resource for historical research, annual young artist competition, permanent collection of ceramic art, etc.

3.3 Market and Audience Profiles

An indicator of a community's involvement in the arts, is the number of members and subscribers affiliated with the area's cultural organizations. The "total" number of members and subscribers reported in this study may include some "double counting" since some individuals in the community may in fact be members of more than one organization. As a result, they would appear more than once in the "totals". However, this "double counting" presented no serious problem; the numbers simply reflect the intensity of the community's involvement in the arts. (The use of medians "controlled" for seemingly high averages.)

Changes in membership in the community's cultural and arts organizations were examined. Although a sizable increase over time was observed in the area's membership in arts and cultural organizations, this change was attributed to methodological differences between the studies reporting on membership.

The sample selection procedures for the 1985 study, the 1990 study, and this 1999 study differed. Unlike the 1985 and 1990 studies, the current (1999) study included four library boards in its sampling list – with three boards responding. And, libraries have a relatively large number of members. A meaningful analysis of membership changes over time proved to be difficult.

Another methodological difference between the studies was the fact that the current study expanded the scope of the question to include "subscribers" -- but did so for each of three years (1996, 1997 and 1998) using the same question phraseology and same sample. The design of the current study allowed for an appropriate exploration of short-term increases or decreases in membership and subscribers. (The importance of subscribers was observed in a 1994 market research study conducted for Opera Hamilton relating to its performances of "Macbeth" -- this study reported that 71% of its audience for these performances were subscribers to Opera Hamilton's current season.)

The 1985 study asked:

Section D: Membership of Organization

1. *Number of paid-up individual members (not students) in your organization.*
2. *Number of paid-up group members in your organization.*
3. *Number of paying students enrolled in your organization*

The 1990 study asked:

.....The questions were identical to the 1985 study.

The 1999 study asked:

Please record your total number of members/subscribers for the following years:

1998 _____ 1997 _____ 1996 _____

The Hamilton and Regional Arts Council stated in its 1985 study that, 44 organizations reported a total membership of 14,000 individuals and the 1990 study reported a total of 8,000 members from its 13 participating organizations.

From Table 3.7 below, it can be seen that the total number of members/subscribers in 1998, for the combined 27 organizations who responded in the current study, was 298,000 which is substantially higher than the 1985 and 1990 "membership" figures. This huge difference can be attributed to the "library factor" -- rather than the simple inclusion of "subscribers" in the question. A library board in a large municipality may have in excess of 200,000 members.

**TABLE 3.7 ANNUAL MEMBERS/SUBSCRIBERS TOTALS
Non-Profit Organizations Only**

<u>1999 Cultural Activities Study</u>			<u>Earlier Studies</u>	
1998 Total Members/ Subscribers	1997 Total Members/ Subscribers	1996 Total Members/ Subscribers	1990 Total Members	1985 Total Members
297,831 (N=27)	296,489 (N=27)	340,087 (N=22)	8,247 (N=13)*	14,000 (N=44)

Note: The 1990 study did not report the number of respondents for this question but there were 13 organizations in their survey.

The "average" number of "members" and "members/subscribers" for an organization is reported below in Table 3.8 -- for all three studies. The average for 1998 was 11,000 members for 27 organizations, compared to 318 found for 44 organizations in 1995; and, 634 for 13 organizations in 1990. Again, It is likely that the "library factor" accounts for most of the difference in the findings between the 1999 study and the other two studies. When the median is employed as a measure of central tendency, the numbers drop dramatically for the 1999 study. (*The median represents the mid-point where there are an equal number of organizations above and below.*)

The median was 148 in 1998; 135 in 1997; and, 127 in 1996. These membership figures indicate that over the past three years, there has been an annual (median) increase in membership/sponsorship for the arts and cultural organizations. See Table 3.8 below.

**TABLE 3.8 AVERAGE NUMBER OF MEMBERS/SUBSCRIBERS
FOR AN ORGANIZATION IN THE ARTS
Non-Profit Organizations Only**

	<u>1999 Cultural Activities Study</u>			<u>Earlier Studies</u>	
	1998	1997	1996	1990	1985
	Average	Average	Average	Average	Average
	Members/	Members/	Members/	Members	Members
	<u>Subscribers</u>	<u>Subscribers</u>	<u>Subscribers</u>	<u>Members</u>	<u>Members</u>
Mean	11,030	10,981	15,458	634*	318
Median	148	135	127	---	---

**Note: The 1990 study did not report the number of respondents for this question and the "Mean" has been calculated based on the 13 organizations in their survey. The medians were not available for the 1985 and 1990 studies.*

The 1990 Hamilton and Region Arts Council study reported that 688,000 Hamilton-Wentworth residents and 216,000 non-local attenders went to cultural events staged by the 13 arts organizations they surveyed in the Hamilton-Wentworth region -- for a total of 904,000 attenders. The total attendance for 1998, as found in this (1999) study was 656,000. Methodological issues were examined to determine if this sizable "drop" in attending cultural events could have been due to these factors.

In 1990 the respondents were asked to report two figures with respect to attendance:

- Q. 14 *The total number of attendees residing in the Hamilton-Wentworth region (please include audience members, visitors, show opening guests, people attending classes or seminars, etc. - where residence may not be known, please estimate the local percentage).*
- Q.15 *The total non-local attendees.*

In 1999, the respondents were simply asked the following:

4. *Audience/Market Profile*
- Q4a. *Please record your total attendance figures for the following years:*
 1998 _____ 1997 _____ 1996 _____

From Table 3.9 below, it can be seen that the total attendance for the 27 responding organizations in the current study was in the range of only 600,000 which is a substantial decrease in attendance from that which was found in the 1990 study of 13 organizations. This drop may be due, in part, to the differences in the phraseology of the questions employed in the two studies -- the 1990 study included "people attending classes or seminars" throughout the year, but the questionnaire employed in the current study did not give this explicit direction.

**TABLE 3.9 ANNUAL ATTENDANCE TOTALS
Non-Profit Organizations Only**

<u>1999 Cultural Activities Study</u>			<u>Earlier Studies</u>
1998 Total <u>Attendance</u>	1997 Total <u>Attendance</u>	1996 Total <u>Attendance</u>	1990 Total <u>Attendance</u>
656,204 (N=27)	655,675 (N=28)*	683,925 (N=23)	904,000 (N=13)*

**Notes: The 1990 study did not report the number of respondents for this question but there were 13 organizations in their survey. Attendance figures were not reported in the 1985 study. Also, one respondent provided information for 1997 but not for 1998.*

From Table 3.9 above it can be seen that there has been some decline over the past three years in attendance at cultural events -- from 684,000 in 1996 down to 656,000 in 1998.

(As an aside, "library visits" were not included as "attendance" but over 2 million library visits are made each year in Hamilton.)

Both the average and median attendance figures were reviewed in an attempt to further explore this observed drop in annual total attendance. These results also showed a reduction in attendance from 1996 to 1998. The means and medians are presented in Table 3.10 below.

**TABLE 3.10 AVERAGE ATTENDANCE FOR AN
ORGANIZATION
Non-Profit Organizations Only**

	<u>1999 Cultural Activities Study</u>		
	1998 Attendance <u>Average</u>	1997 Attendance <u>Average</u>	1996 Attendance <u>Average</u>
Mean	24,303	23,416	29,735
Median	3,900	4,500	5,000

The decline in attendance reported in Tables 3.9 and 3.10 above appears to be steady but slight. This study is not in a position to comment on the "percentage of residents" in the community who attend arts and cultural events. However, a 1995 Toronto Arts Council publication, "State of the Arts", provides some insights. That report stated that 55% of Metropolitan Toronto residents attended such events in 1994 and concluded that there was still a large potential audience that has not been reached.

Before continuing with the analysis of the market profile, recall from Table 3.4 that 94% of the respondents reported their "home" as being located within the Hamilton-Wentworth Region. When the organizations were asked to report what percentage of their audience came from different communities in the area, it was found that almost one-quarter (23%) of the average audience came from outside of the region. Although more than two-thirds (69%) of the organizations' homes were in the City of Hamilton itself, only one-half (50%)

of the average audiences are residents of the City of Hamilton. This evidence points to the strength of the local cultural organizations and their ability to draw audiences from outside their own municipality. See Table 3.11

**TABLE 3.11 AVERAGE PERCENTAGE OF AUDIENCE
COMING FROM VARIOUS COMMUNITIES
Non-Profit Organizations Only**

<u>Municipality From Which Audience Comes</u>	<u>Average Percentage</u>
City of Hamilton	50% (N=32)
Elsewhere in Hamilton-Wentworth	33% (N=34)
Outside of the region	23% (N=29)

All age group groups tend to be well served by, and benefit from the arts and cultural community in the Hamilton-Wentworth and Burlington areas. Approximately two-thirds of the organizations ((64%) reported that they have children in their audience and 79% reported they have teenagers attending their events; and, almost three-quarters (72%) have young adults age 20-29 in their audience. The percentage of organizations having middle aged adults and seniors in their audience is higher at 81%. (Some organizations provided no information about the age groups they serve and some did not have people from some of the age groups in their audience.) See Table 3.12.

**TABLE 3.12 ORGANIZATIONS AND THE
AGE GROUPS THEY SERVE
Non-Profit Organizations Only**

<u>Age Groupings</u>	<u>Percentage of Organizations Serving Each Age Group</u>
Children	64% (N=23)
Teens	79% (N=25)
Age 20 - 29	72% (N=26)
Age 30 - 59	81% (N=29)
Age 60 and over	81% (N=29)

Although each age group is well served by a large number of cultural organizations, varying numbers of people within each age group chose to attend the events and the percentage of the audience coming from the different age groups tended to vary. For example, although 79% of the organizations reported having teenagers in their audience -- teenagers represented an average of only 8% in the global audience. See Table 3.13.

It appears that opportunities exist for more effective marketing since so many organizations do in fact appeal to teenagers and have teenagers in their audiences, yet only a very small percentage of their audience actually comes from this age group. Also, as noted in the Toronto Arts Council 1995 report "State of the Arts", "Our population is aging: the 35- to 65-year-old group dominates. We know that an older population prefers to spend on arts and culture rather than on sports and other forms of entertainment.....we can expect a big growth in demand for cultural products -- especially if we give it a push." Evidence consistent with the Toronto report was found In this current study of the Hamilton area -- from Table 3.13 below it can be seen that the age group representing the largest average percentage (36%) of the audience, is the 30 to 59 year-old group.

**TABLE 3.13 AVERAGE AGE DISTRIBUTION OF THE GLOBAL AUDIENCE
Non-Profit Organizations Only**

<u>Age Groupings</u>	<u>Average Percentage of Audience in Each Age Group</u>
Children	25% (N=23)
Teens	8% (N=25)
Age 20 - 29	19% (N=26)
Age 30 - 59	36% (N=29)
Age 60 and over	24% (N=29)

The market and audience profiles described above tend to be based on reasonably current information. The organizations were asked if their responses were based on data collected within the past two years. Although there is room for improvement in compiling current market research information, 85% of the respondents reported that their data was

collected within the last two years. (Nine organizations did not respond to this question.) See Table 3.14 below.

**TABLE 3.14 CURRENCY OF MARKET PROFILE INFORMATION
Non-Profit Organizations Only**

<u>Data Collected Within the last two years?</u>	<u>Percentage of Organizations Reporting with Current Data</u>
Yes	85%
No	15
TOTAL	100%
(N)	(33)

Opportunities for more effective marketing could open up if more organizations collected current information on its market and audience profiles. Only (78%) 28 of the 36 organizations surveyed provided this type of information and reported that their answers were based on data collected within the last two years.

3.4 Staffing: Employees and Volunteers

This section explores the employment impact of the arts on the community. In addition, the valuable contribution made by volunteers is described. Again, issues relating to sample selection and questionnaire construction made it difficult to conduct a straightforward comparison of the three relevant studies, when searching for long-term increases or decreases in employment impacts, or, the use of volunteers.

The 1985 Hamilton and Region Arts Council reported that 751 total jobs were provided by the arts organizations and asked the following question:

SECTION C: Employment in Organization

1. *Number of person/years for permanent paid, full-time administrative staff.*
2. *Number of person/years for permanent paid, full-time artistic staff.*
3. *Number of person/years for permanent paid, part-time administrative staff.*
4. *Number of person/years for permanent paid, part-time artistic staff.*
5. *Number of person/years for contract employees (eg. Job Creation Programs)*

The 1985 breakdown of jobs and the number of organizations responding (N) were:

193 full-time administrative employees (N=30)

62 full-time artistic employees (N=15)

255 Total full-time employees

236 part-time administrative employees (N= 15)

146 part-time artistic employees (N= 20)

382 Total part-time employees

111 Total contract employees (N= 20)

751 Total jobs provided by arts organizations

(Note: The 1985 study reported the total as 751; however, the figures they present add to a total of only 748.)

The 1990 Hamilton and Region Arts Council reported that 587 total jobs were provided:

The questions were identical to the 1985 study but asked for the numbers of employees for each category rather than "person/years" as was defined in 1985.

The 1990 breakdown of jobs and the number of organizations responding (N) were:

67 full-time administrative employees (N= 13)

16 full-time artistic employees (N= 13)

83 Total full-time employees

14 part-time administrative employees (N= 13)

19 part-time artistic employees (N= 13)

33 Total part-time employees

471 Total contract employees (N= 13)

587 Total jobs provided by arts organizations

In this 1999 study it was found that 1,660 persons were employed in the arts and the respondents were asked to report on:

1. *Employees:*

(a) *Number of paid employees:*

full-time _____

part-time _____

contract _____ (ie. Self-employed persons who worked on a fee-for-service basis)

seasonal _____

The 1999 breakdown of jobs and the number of organizations responding (N) were:

354 Total full-time employees (N=19)

833 Total part-time employees (N=21)

419 Total contract employees (N= 12)

54 Total seasonal employees (N=10)

1,660 Total jobs provided by arts organizations (N=26)

The findings from the three studies are summarized below in Table 3.15 where it can be seen that the total of 1,660 persons working for non-profit organizations in 1999

represents a sizable increase in the number of persons employed in 1990 or 1985 (only 587 and 751 respectively). The three responding library boards reported a combined total of only 352 total jobs for 1999 and therefore the "library factor" does not fully account for the substantially higher number of persons employed in 1999.

The most noticeable increase in employment over the years is in the number of part-time jobs being provided by arts and cultural organizations. Again, the "library factor" does not fully account for this large increase from 382 part-time jobs in 1985, to 833 jobs in 1999, since the responding library boards accounted for a total of only 157 part-time jobs.

A noticeable increase was observed in the number of contract workers being employed. Non-profit organizations in the arts have made greater use of contract employees in the nineties than was the case in the eighties -- more than 400 contract employees worked in the arts according to both the 1990 and 1999 studies; however, only 111 contract workers were reported in the 1985 study. (No contract workers were reported by the library boards.) This trend is not unique to the arts and cultural community; but rather, is a trend which can be seen in all sectors of society.

**TABLE 3.15 TOTAL NUMBER OF PERSONS EMPLOYED IN THE ARTS
Non-Profit Organizations**

<u>Type of Employee</u>	<u>Current 1999 Study</u>	<u>Earlier Studies</u>	
	1999 Total Number of Persons Employed <u>In the Arts</u>	1990 Total Number of Persons Employed <u>In the Arts</u>	1985 Total Number of Persons Employed <u>In the Arts</u>
Full-time	354 (N=19)	83 (N=13?)	255 (N=30?)
Part-time	833 (N=21)	33 (N=13?)	382 (N=20?)
Contract	419 (N=12)	471 (N=13?)	111 (N=20?)
Seasonal	54 (N=10)	(not asked)	(not asked)
TOTAL	1,660 (N=26)	587	751

Note: The 1985 and 1990 studies were not explicit in the number of respondents. The numbers presented in the table above are estimated from the data they do provide.

From Table 3.15 above, it can be seen that the staffing practices varied for the 26 non-profit organizations answering this question. Different organizations made use of different combinations of full-time, part-time, contract and seasonal workers -- 19 organizations had full-time employees; 21 reported having part-time staff; 12 made use of contract workers; and, 10 were in a position of needing seasonal employees.

When the means and medians were examined, converging evidence was found indicating that the arts and cultural organizations are making greater use of part-time and contract workers. Table 3.16 below reports the average number employees per organization. It was found that the average (mean) number of total employees was 64; but, the median (mid-point where there is an equal number of organizations having more workers and an equal number of organizations having less workers) was 10 workers.

The median total number of full-time employees was three, and, for part-time employees it was 4. On the other hand, the median for contract staff was a total of 18 workers.

**TABLE 3.16 AVERAGE NUMBER OF PERSONS EMPLOYED
BY AN ORGANIZATION IN THE ARTS
Non-Profit Organizations**

Type of Employee	<u>Current 1999 Study</u>		<u>Earlier Studies</u>	
	1999 Average Number Employed Per Organization		1990 Average Number Employed Per Organization	1985 Average Number Employed Per Organization
Full-time	mean=19	median= 3	mean= 6 (N=13?)	mean= 9 (N=30?)
Part-time	mean=40	median= 4	mean= 3 (N=13?)	mean=19 (N=20?)
Contract	mean=35	median=18	mean=36 (N=13?)	mean= 6 (N=20?)
Seasonal	mean= 5	median= 2	(not asked)	(not asked)
TOTAL AVERAGE NUMBER OF WORKERS	mean=64	median=10	(Not available)	(Not available)

Note: The 1985 and 1990 studies were not explicit in the number of respondents. The means have been calculated base on the numbers presented in the table above are estimated from the data they do provide. The medians could not be calculated.

The cost of the labour described above was explored in this (1999) study and was compared to the findings of the earlier studies. The 1985 Hamilton and Region Arts Council study of "Impact of Arts on the Bay Area Economy" found (from their survey of 75 arts organizations) that, "A total of \$6.5 million was spent on salaries by arts and cultural organizations in the Bay area" -- this amount included payments on a per contract basis. (Total labour related expenses were not reported in the 1990 study.) The findings from the 22 non-profit organizations which responded to this question, indicate that in 1999 a total of \$19.8 million was spent on wages and salaries for employees and contract workers. On the surface, it appears that the amount of money paid to workers in the arts had tripled since 1985; however, this may not be the case. The combined labour costs for the responding library boards in 1999 was \$12.9 million (which represents almost double what was found in the 1985 study.) After deducting the cost of labour for the library boards from this study, the total labour related expenditures for 1999 were \$6,790,000 which is an increase of approximately \$290,000 since 1985. See Table 3.17 below.

**TABLE 3.17 TOTAL LABOUR RELATED EXPENDITURES
Non-Profit Organizations**

Type of Labour	<u>Current 1999 Study</u>	<u>Earlier Studies*</u>
	1999 Total Labour Related Expenses	1985 Total Labour Related Expenses
Employees	\$ 17,528,137 (N=19)	\$ (unknown)
Contractors	\$ 2,235,698 (N=11)	\$ (unknown)
TOTAL COST OF LABOUR	\$ 19,763,835 (N=22)	\$ 6,500,000

**Note: Total labour related expenses were unclear in the 1990 study; but, \$3,909,000 were reported paid in the form of artistic fees to residents of the Hamilton-Wentworth region (e.g. exhibiting fees to artists). The 1985 study did not report the number of respondents for this question.*

The average total cost for labour related expenses in an arts or cultural organization was found to be \$898,000 – but the mid-point (median) where there is an equal number of organizations spending more on labour costs and an equal number of organizations

spending less, is only \$193,000 (for the median of 10 workers reported in Table 3.16 above). This average cost per worker of \$19,300 further indicates that these organizations tend to make extensive use of part-time and contract workers.

**TABLE 3.18 AVERAGE LABOUR RELATED EXPENDITURES
FOR AN ORGANIZATION IN THE ARTS
Non-Profit Organizations**

<u>Type of Labour</u>	<u>Average Labour-Related Expenses</u>	
Employees	Mean = \$ 922,534	Median = \$ 200,350
Contractors	Mean = \$ 203,245	Median = \$ 42,790
AVERAGE TOTAL COST FOR ALL LABOUR	Mean = \$ 898,356	Median = \$193,175

*Note: Total labour related expenses were not reported in the 1990 study.
The 1985 study did not report the number of respondents for this question
and therefore the average and medians cannot be calculated here.*

From the earlier discussion near the beginning of this chapter (Table 3.2), it was noted that almost three-quarters of the non-profit organizations operated predominantly with volunteers or with a combination of volunteers and paid staff – unlike the for-profit businesses which operated predominantly with paid staff.

Four types of voluntary effort in the arts were articulated in the Sudbury study of "The Economic Impact of the Arts" (cited in Chapter Two): (1) First, the boards of directors of arts organizations are volunteers; (2) Second, many arts organizations have woman's and other auxiliaries of volunteers who assist in fundraising and other activities; (3) Third, in many communities local sponsors for arts activities are volunteers; and, (4) Fourth, to the degree that most artists are receiving depressed wages and salaries, they are the largest single group of volunteers supporting production in the arts." Also, some individuals contribute their time and efforts to more than one organization – which leads to some possible "double counting" in the "total number of volunteers" observed in this current

study. (Recall the earlier discussion of "double counting" with respect to memberships and subscribers.) However, there is no "double counting" regarding the "total number of volunteer hours" since each organization was asked to report on the number of volunteer hours contributed to its organization (a person cannot be in two places at the same time).

The 1985 Hamilton and Region Arts Council study found from its survey of 75 organizations that, "2,459 volunteers participated in various arts organizations contributing an estimated 1,067,004 hours to the arts in the community" -- for an average of 434 hours per person per year. In stark contrast to the 1985 report, the 1990 study (with 13 respondents), stated that 1,384 volunteers donated 61,602 hours -- for an average of 45 hours per person per year. (The 1990 study noted that the 13 organizations surveyed, "were not representative of the population in the area of volunteer work due to their size and ability to pay workers".)

In this 1999 study, where 32 organizations reported the use of volunteers, the number of volunteers contributing their time was 4,251 and they contributed a total of 183,487 hours -- for an average of 43 hours per person per year -- which is more in line with the 1990 findings. See Table 3.19 below.

Differences in questionnaire construction may account for the vast difference between the 1985 study and the other two studies. The 1985 phraseology may have been somewhat confusing; whereas, the 1990 and 1999 questionnaires were more straightforward.

In 1985, the respondents were asked to report:

"SECTION E: Regular daily operating arts organization:

"E3. Number of person/years for volunteers _____

"E4. Total number of hours contributed by all volunteers _____

Note: The heading for Section E refers to "regular daily"; but, sub-section E3 asks about "person/years" and sub-section E4 asks for "Total number of hours contributed". There may have been some confusion with the measures involved.

In 1990, the respondents were asked to report:

26. The total number of non-paid volunteers aiding your organization in the past season (1989-90).

27. The total number of hours contributed by all non-paid volunteers in the past season (1989-90).

In 1999, the organizations were asked to report the

1(c) Total number of volunteers _____

Though difficult to determine exactly, please provide an estimate (to the nearest 100 hours) of the time contributed annually to your organization by volunteers.

Total number of volunteer hours _____

**TABLE 3.19 TOTAL NUMBER OF VOLUNTEERS AND VOLUNTEER HOURS CONTRIBUTED TO THE ARTS
Non Profit Organizations Only**

	<u>Current 1999 Study</u>		<u>Earlier Studies</u>	
	1999		1990	1985
	<u>Volunteers& Hours</u>		<u>Volunteers&Hours</u>	<u>Volunteers&Hours</u>
Total Number of <u>Volunteers</u>	4,251	(N=32)	1,384	2,459
Total Number of <u>Volunteer Hours</u>	183,487 hrs.	(N=29)	61,602 hrs.	1,067,004 hrs.
AVERAGE NUMBER OF HOURS PER VOLUNTEER	43.2 hrs.		44.5 hrs.	433.9 hrs.
	per person		per person	per person

Note: The 1985 study did not report the number of respondents for these questions.

In the 1990 study 2 organizations did not report the number of hours for its volunteers.

From Table 3.19 above, it would appear that few opportunities exist to further expand on volunteerism since 32 of the 36 (89%) of the non-profit organizations surveyed already benefit from the use of volunteers. (See Table 3.19 above.)

The dollar value for the time donated by volunteers was calculated -- based on City staff's information that the Department of Canadian Heritage estimates an hour of a volunteer's time in arts and cultural organizations to be equivalent to a wage figure of \$16.49 per hour. The estimated hourly rate from the Department of Canadian Heritage was used in this study to calculate the total dollar value, rather than simply taking the current minimum wage figure. (The 1985 Sudbury study used the figure of \$4.00 per hour which was the minimum wage amount at that time.)

The combined total of 183,487 hours for the 29 organizations reporting, has a projected value of more than \$3 million per year. The average of 43 hours per person per year translates into a contribution of more than \$700 per person per year.

When the averages and mid-points were reviewed, it was found that there was an average of 133 volunteers per organization contributing a combined average of 6,327 hours to the organization. This is further converging evidence that non-profit organizations in the arts and cultural community rely heavily upon volunteers. See Table 3.20 below. This average of 6,327 hours has an estimated value of \$104,000 per year to an organization.

**TABLE 3.20 AVERAGE NUMBER OF VOLUNTEERS AND VOLUNTEER HOURS
CONTRIBUTED TO AN ARTS ORGANIZATION
Non Profit Organizations Only**

	<u>1999 Average Number of Volunteers</u>	<u>1999 Average Volunteer Hours</u>
Mean	133 volunteers per organization	6,327 hours
Median	58 volunteers per organization	2,400 hours

3.5 Professional Development and Training

Each of the organizations was asked to report on any professional development or training provided for its employees and volunteers in the last 12 months.

In some cases this professional development was organized in-house; in other cases it was provided by external producers; and, in still other instances some organizations made use of both means of providing training. More organizations provided training in-house as opposed to having external producers perform this task. For example; 47% of the organizations had workshops organized in-house but only 36% had the workshops provided by external producers; and, 14% of the organizations sponsored both types of workshops. The same pattern can be seen in Table 3.21 for lectures, technical training, and, the use of a mentoring program.

**TABLE 3.21 MEANS OF PROVIDING PROFESSIONAL
DEVELOPMENT AND TRAINING
Non Profit Organizations Only**

Percentage of Organizations Providing Professional Development

<u>Nature of Professional Development</u>	<u>Organized In-House</u>	<u>Provided by External Producers</u>	<u>Provided Both In-House and by External Producers</u>
Workshops	47% (N=17)	36% (N=13)	14% (N=5)
Lectures	31% (N=11)	25% (N= 9)	11% (N=4)
Technical Training	36% (N=13)	28% (N=10)	8% (N=3)
Mentoring Program	28% (N=10)	11% (N= 4)	3% (N=1)

There was a tendency for more organizations to provide technical training for its employees as opposed to its volunteers -- 36% of the organizations made this type of professional development available for its paid employees, but only 19% did so for its volunteers. The disproportionate amount of technical training for paid staff may, in part, be due to a constant need for upgrading of skills related to computer hardware and software for the office. However, as noted in its "Pre-Budget Submission to the Standing Committee on Finance" last year, the Canadian Conference of the Arts stated that, "For the artist or cultural worker, the job of developing professional skills is rarely complete when they receive a diploma or certificate. Changing technologies, diversification of skills and new opportunities often require a constant programme of skills upgrading and professional development if artists or cultural workers are to remain competitive with their peers in Canada and around the world."

Approximately one-third of the organizations provided lectures (33%) to its employees and (31%) to its volunteers; similarly, 39% sponsored workshops for paid staff and 44% did so for its volunteer workers. On the other hand, mentoring programmes were disproportionately offered more to the volunteers -- 31% of the organizations made use of mentoring programs for its volunteers, but only 8% felt a need to do so for its paid employees. One respondent wrote that their "orchestra has a professional core which

ensures that mentoring of all volunteer musicians is ongoing". See Table 3.22 below for a breakdown of the number of organizations offering various types of professional development for its volunteers and employees.

**TABLE 3.22 PARTICIPANTS IN PROVIDING PROFESSIONAL DEVELOPMENT AND TRAINING
Non Profit Organizations Only**

Percentage of Organizations Training Employees and Volunteers

<u>Nature of Professional Development</u>	<u>Employees</u>	<u>Volunteers</u>	<u>Provided for Both Employees & Volunteers</u>
Workshops	39% (N=14)	44% (N=16)	17% (N=6)
Lectures	33% (N=12)	31% (N=11)	19% (N=7)
Technical Training	36% (N=13)	19% (N= 7)	8% (N=3)
Mentoring Program	8% (N= 3)	31% (N=11)	8% (N=3)

The reader should recall the caution given in Chapter Two and not attach too much weight to the differences in percentages reported in this section -- because of the small number of organizations responding to the questions relating to professional development.

Because of the relatively small numbers of questionnaires returned and because of the small number of respondents providing answers to the questions on professional development, it was not possible to identify opportunities for professional development and training on the aggregate level for organizations performing different functions. Although it is inappropriate for this report to identify specifically which organizations already do, or do not provide training; City staff may choose to review the individual questionnaires, obtain consent from the responding organizations, and search for ways for these organizations to assist each other with training and professional development for their employees and volunteers.

3.6 Economic Activity

Each organization was asked to report on their organization's economic activities over the past three years. More than 80% of the respondents provided financial information for the most recent financial year (fiscal 1997/98); but, less than two-thirds (64%) provided similar information for the fiscal year 1995/96. Because of varying response rates for each of the three years studied, incomplete answers from some respondents, and because of the nature of the sampling frame, it was necessary in the analysis to go beyond a summary report of the general revenues and expenditures. Table 3.23 reports the percentage of respondents who provided financial information for each of the three years studied.

**TABLE 3.23 RESPONSE RATES FOR REVENUES AND EXPENDITURES
Non-Profit Organizations Only**

<u>Percentage of Organizations Providing Financial Information</u>			
<u>Information Provided</u>	<u>Calendar 1997 or Fiscal 1997/98</u>	<u>Calendar 1996 or Fiscal 1996/97</u>	<u>Calendar 1995 or Fiscal 1995/96</u>
Revenues	89% (N=32)	75% (N=27)	64% (N=23)
Expenditures	86% (N=31)	72% (N=26)	64% (N=23)

When the financial activities of the organizations were examined, it was found that "Total Expenditures" had increased for each of the three years studied. For 1997/98, the "Total Expenditures" were calculated to be \$45 million; up from the previous year total of \$41 million; and, up from the total of \$40.7 million reported for fiscal 1995/96. When the expenditures were broken down, it was found that the "Total Operations Expenditures" had shown a steady increase over the past three years; in 1997/98 the operations expenses totalled \$42.3 million; in 1996/97 they were \$39.5 million; and, in 1995/96 they were only \$38.3 million. On the other hand, "Total Capital Expenditures" fluctuated with no clear trend. As noted in the 1985 report from the Hamilton and Region Arts Council, "the economic impact of an industry is gauged not by what it produces, but by what it spends". By increasing its spending annually, the arts and cultural community appears to be increasing its economic impact on the community. See Table 3.24 below.

TOTAL ANNUAL
TABLE 3.24 REVENUES AND EXPENDITURES
Non-Profit Organizations Only

Data Collected From Current 1999 Study

	<u>TOTAL</u> <u>1997/98</u>	<u>TOTAL</u> <u>1996/97</u>	<u>TOTAL</u> <u>1995/96</u>
<u>Revenues</u>			
...Donations/Sponsorships	\$ 3,543,320 (N=24)	\$ 2,988,196 (N=21)	\$ 1,444,100 (N=18)
...Government Grants	\$ 8,647,973 (N=23)	\$ 8,730,478 (N=19)	\$ 9,427,316 (N=17)
...Earned Revenues (ticket sales, subscriptions, memberships etc.)	\$ 11,354,915 (N=32)	\$ 11,540,862 (N=26)	\$ 9,476,297 (N=23)
...Size of Endowment or Investment Fund	\$ 4,321,940 (N=7)	\$ 4,052,481 (N=5)	\$ 3,748,668 (N=3)
TOTAL REVENUES (Number Responding)	\$ 27,868,148 (N=32)	\$ 27,312,017 (N=27)	\$ 24,096,381 (N=23)
<u>Expenditures</u>			
...Operations expenditures	\$ 42,277,096 (N=30)	\$ 39,485,311 (N=26)	\$ 38,318,045 (N=23)
...Capital expenditures	\$ 2,745,989 (N=11)	\$ 1,583,924 (N=10)	\$ 2,445,336 (N=6)
TOTAL EXPENDITURES (Number Responding)	\$ 45,023,085 (N=31)	\$ 41,069,235 (N=26)	\$ 40,763,381 (N=23)

Notes: It is unclear why the Total Expenditures were so much higher than the Total Revenues. There are at least three possible explanations:

- (1) The organizations may be operating with extremely high deficits;
- (2) The respondents did not report some of their revenues from Bingo, the sale of Nevada tickets, or from other fundraising activities; and,
- (3) The questionnaire design did not capture all of the revenue items and perhaps an "other" category could have been included.

One respondent included a set of the organization's financial statements with the completed questionnaire. This organization seemed to be typical of a smaller than average arts organization with total expenditures of \$142,000 for 1998. It was interesting to note that this organization had operated with a deficit for each of the past two years and had a total deficit of \$27,000 at the end of fiscal 1998.

When revenues were examined, it was found that "Total Revenues" had also increased annually; from \$24 million in 1995/96; to \$27.3 million one year later; then, to \$27.9 million in fiscal 1997/98. In particular, a steady annual increase was observed in revenues from "Donations/Sponsorships" and in the "Size of an Endowment or Investment Fund". Revenues from donors and sponsors rose from \$1.4 million in 1995/96, to \$2.9 million the following year, then to \$3.5 million in fiscal 1997/98. Similarly the total size of endowment and investment funds grew from \$3.7 million, to \$4 million, then to \$4.3 million for 1997/98.

Revenues from government grants have shown a downward trend and have steadily decreased from \$9.4 million in 1995/96, to \$8.7 million one year later, to \$8.6 million in fiscal 1997/98. Arts and cultural organizations receive grants from different levels of government and the totals reported reflect the contributions made by the federal, provincial and local governments combined. City staff provided the Analyst with information relating to the grants allocated by both the City of Hamilton and the Regional Municipality of Hamilton-Wentworth. Grants awarded by the City of Hamilton have declined each year for the past four years -- from \$254,000 in 1995; down to \$234,000 in 1996; down again to \$222,000 in 1997; down to \$213,000 in 1998; and it is projected that the 1999/2000 grant totals will be approximately 10% lower than the current year. Based upon an "Information Summary", the 1998 grants from the Regional Municipality of Hamilton-Wentworth totalled \$1.2 million and the 1999/2000 recommended grants were lower at \$1 million. If other levels of government follow suit, the downward trend observed in Table 2.24 can be expected to continue.

City staff had also provided the Analyst with a document titled, "Advisory Committee on Competitive Municipal Taxation Policy". Although this document was reviewed, its contents were beyond the scope of this study of cultural activities. The discussion of government financial support for the arts was limited here to a description of the funding patterns and an analysis of observed trends. (An analysis of taxation policies, along with discussions of prescriptive, normative or "political" issues is a topic for another study.)

Statements or recommendations such as, "The funding of arts service and cultural industry trade organizations should be identified as a priority for....."; or, "Government is a critical component to ensure the prosperity of arts and culture in the community", are best left for another forum. However, it may be appropriate here to quote from the Toronto Arts Council 1995 report on the "State of the Arts", "Cultural grants are one among many methods that produce a positive economic and social climate..... The City of Toronto uses many tools to craft the right climate for business development..... The City gets this investment back..... The most conservative possible estimate suggests the City gets back 100% more than the grants dollars expended"

From Table 3.24 above, it can be seen that "earned revenues" (not government grants) have tended to provide the greatest source of income for arts and cultural organizations. However, earned revenues from ticket sales, subscriptions, memberships etc. have fluctuated over the past three years and did not show a clear trend.

Table 2.24a below presents a summary of the trends observed based on an examination of "Total" Revenues and Expenditures as reported in Table 2.24 above.

TABLE 2.24a GLOBAL TRENDS IN FINANCIAL ACTIVITIES

<u>Tend to INCREASE Each Year</u>	<u>Tend to DECREASE Each Year</u>	<u>Tend to FLUCTUATE Each Year</u>
Donations/ Sponsorships Size of Endowment Fund Total Revenues	Government Grants	Earned Revenues
Operations Expenditures Total Expenditures		Capital Expenditures

Difficulties in gaining a full understanding of "total" revenues and expenditures **through survey research** can be illustrated by comparing the "Total Expenditures" reported in Table 3.24 with the "Total Expenditures" reported in the 1985 and 1990 studies **conducted via survey research** for the Hamilton and Region Arts Council. The expenditures totalled \$6.8 million for the 13 organizations studied in 1990. The 1985 study reported that, the "Total Expenditures amounted to \$12 million, as reported by 69 respondents". But for this (1999) study, the "Total Expenditures" amounted to more than \$45 million for fiscal 1997/98 with 32 respondents reporting -- and where the sampling frame included the library system. **It is unclear "how much" of the totals are affected by measurement issues.** (A complete review of the financial statements of all of the arts and cultural organizations active in the community would provide the best information, but the cost and time to conduct such a study might be prohibitive.)

To illustrate how the "totals" might have been affected by the "number of respondents" or by "the size of an organization", again see Table 3.24 above -- where it can be observed that "Total Expenditures" were highest in the year for which there were the most respondents (fiscal 1997/98); and similarly, "Total Expenditures" were lowest in the year for which there were the fewest respondents (fiscal 1995/96). The analysis of the "Total Expenditures" above, concluded that there has been a steady annual increase in total expenditures by the cultural community as a whole. However, when the number of respondents reporting is taken into account, it is seen that the "average" total expenditure for an organization in the arts has actually declined steadily.

Given the varying number of respondents providing information for each of the years requested in the 1999 study, it was necessary to standardize the data by calculating averages. When this was done, as can be seen in Table 3.25 below, the "Average Total Revenues and Expenditures" have actually declined each year. Whereas the analysis of the "total" financial activities showed a relatively vibrant cultural community (with only government grants on a steady decline), a similar analysis of the "average" financial activities of the cultural organizations presents a different picture.

AVERAGE (MEAN)
TABLE 3.25 REVENUES AND EXPENDITURES
Non-Profit Organizations Only

<u>Data Collected From Current 1999 Study</u>			
	<u>AVERAGE</u> <u>1997/98</u>	<u>AVERAGE</u> <u>1996/97</u>	<u>AVERAGE</u> <u>1995/96</u>
<u>Revenues</u>			
...Donations/Sponsorships	\$ 147,638	\$ 142,295	\$ 80,228
...Government Grants	\$ 375,999	\$ 459,498	\$ 554,548
...Earned Revenues (ticket sales, subscriptions, memberships etc.)	\$ 354,841	\$ 443,879	\$ 412,013
...Size of Endowment or Investment Fund	\$ 617,420	\$ 810,496	\$ 1,249,556
TOTAL REVENUES (AVERAGE)	\$ 870,880	\$ 1,011,556	\$ 1,047,669
<u>Expenditures</u>			
...Operations expenditures	\$ 1,409,237	\$ 1,518,666	\$ 1,666,002
...Capital expenditures	\$ 249,635	\$ 158,392	\$ 407,556
TOTAL EXPENDITURES (AVERAGE)	\$ 1,452,357	\$ 1,579,586	\$ 1,772,320

When "average" revenues were examined, it was found that only donations and sponsorships exhibited an increase each year; average revenues from donations and sponsorships rose from \$80,000 in fiscal 1995/96, to \$142,000 the next year, to \$148,000 in 1997/98.

"Average Total Revenues" have fallen -- from \$1 million in 1995/96, to \$870,000 in 1997/98; also, the average size of endowment and investment funds have been regularly reduced -- in 1995/96 these funds averaged \$1.2 million but fell to \$810,000 the next year, then to only \$617,000 in 1997/98. In addition, the average revenue received from government grants has consistently declined -- in 1995/96, the average revenue from this source for an organization was \$555,000, the next year it fell to \$459,000, then, down again to \$376,000 in fiscal 1997/98. Average earned revenues have fluctuated and no consistent pattern was observed.

On the "expense" side of the ledger, the "Average Total Expenditures" were observed to be approximately \$100,000 lower each year -- in 1995/96, average expenditures totalled \$1.8 million, the following year the organizations spent an average of \$1.6 million, and, in 1997/98 the total expenditures averaged \$1.5 million. Average operations expenditures decreased annually accounting for the annual decrease in total expenditures -- in 1995/96, the operations expenditures averaged \$1.7 million; in 1997/96 they averaged \$1.5 million; and, in 1997/98 the cost of operations averaged \$1.4 million. Average capital expenditures, on the other hand, tended to fluctuate

Table 2.25a below presents a summary of the trends observed based on an examination of "Average" Revenues and Expenditures as reported in Table 2.25 above.

TABLE 2.25a TRENDS IN AVERAGE FINANCIAL ACTIVITIES

<u>Tend to INCREASE Each Year</u>	<u>Tend to DECREASE Each Year</u>	<u>Tend to FLUCTUATE Each Year</u>
Donations/ Sponsorships	Government Grants Size of Endowment Fund Total Revenues	Earned Revenues
	Operations Expenditures Total Expenditures	Capital Expenditures

As discussed earlier, "TOTAL" revenues and expenditures are a function of the number and size of the organizations in the sample. The use of "AVERAGES" ("means") has the effect of standardizing the information and controls for the number of organizations -- but not for their size. In this study, as in the arts and cultural community as a whole, there are many small organizations and only a few large ones. The "MID-POINT" ("median") is helpful when averages **may seem to be unusually** high or low. See Table 3.25 below.

TABLE 3.26 **MID-POINT (MEDIAN)**
REVENUES AND EXPENDITURES
Non-Profit Organizations Only

<u>Data Collected From Current 1999 Study</u>			
	<u>MID-POINT</u> <u>1997/98</u>	<u>MID-POINT</u> <u>1996/97</u>	<u>MID-POINT</u> <u>1995/96</u>
<u>Revenues</u>			
...Donations/Sponsorships	\$ 14,691	\$ 17,447	\$ 2,766
...Government Grants	\$ 54,000	\$ 77,585	\$ 180,000
...Earned Revenues (ticket sales, subscriptions, memberships etc.)	\$ 37,605	\$ 38,850	\$ 39,945
...Size of Endowment or Investment Fund	\$ 50,000	\$ 95,769	\$ 105,885
TOTAL REVENUES (MID-POINT)	\$ 91,548	\$ 105,948	\$ 108,647
<u>Expenditures</u>			
...Operations expenditures	\$ 228,585	\$ 225,850	\$ 222,000
...Capital expenditures	\$ 69,549	\$ 41,406	\$ 90,683
TOTAL EXPENDITURES (MID-POINT)	\$ 228,790	\$ 227,195	\$ 222,000

As an example of the value of inspecting the medians, compare the "average" (mean) for Total Expenditures in Table 2.24 with the "mid-point" (median) for Total Expenditures in Table 2.25. Earlier it was found that the total expenditures for an organization in the arts "averaged" \$1.5 million -- this figure may seem to be high for a typical organization active in the cultural community. However, when the median is employed as a measure of central tendency, the mid-point for total expenditures is only \$229,000 -- which may seem to be more in line with one's impression of a typical arts or cultural organization.

With respect to revenues, the "Median" monies received from: (1) government grants; (2) earned revenues; (3) the size of endowment and investment funds; and, (4) "Total Revenues", were all consistently lower in 1997/98 than in 1996/97; and, the figures for 1996/97 were consistently lower than in 1995/96. Median revenues received from donations/sponsorships fluctuated. On the other hand, on the expense side of the ledger, the "Median" operations expenditures and "Total Expenditures" have steadily increased each year. Median capital expenditures fluctuated.

The results from the analysis of medians is particularly revealing and suggest that smaller organizations may be experiencing financial difficulty -- their revenues are declining but their expenses are increasing. Table 2.26a below presents a summary of the trends observed based on an examination of "MID-POINT" (median) Revenues and Expenditures as reported in Table 2.26 above.

TABLE 2.26a TRENDS IN MEDIAN FINANCIAL ACTIVITIES

<u>Tend to INCREASE Each Year</u>	<u>Tend to DECREASE Each Year</u>	<u>Tend to FLUCTUATE Each Year</u>
	Government Grants	Donations/ Sponsorships
	Earned Revenues	
	Size of Endowment Fund	
	Total Revenues	
Operations Expenditures		Capital Expenditures
Total Expenditures		

3.6.1 Summary of Financial Activities

1. After comparing the "Total", "Average" and "Mid-point" findings, clear converging and convincing evidence was found in only one area of financial activity relating to the arts and cultural organizations -- revenues received from government grants have consistently declined over the three year period studied. This finding was observed when "Totals", "Averages", and, "Mid-Points" were all examined.
2. On the global level, the overall cultural community is vibrant with both "Total Revenues" and "Total Expenditures" exhibiting an increase each year.
3. There was converging evidence of a steady decline in the "average" total revenues for organizations active in the arts over each of the three years studied. This finding was observed when both the means and medians were inspected as measures of central tendency. This evidence raises some concern relating to the financial stability of some cultural organizations in the area
4. When expenditures were examined, there was further evidence for concern regarding the smaller organizations in the arts community. Although average total expenditures were observed to have decreased in each of the three years, the "Mid-Point" ("median") total expenditures were seen to have increased -- suggesting that smaller organizations may be experiencing more difficulty than larger organizations. Smaller organizations appear to be suffering from a decrease in revenues compounded by an increase in expenditures.

4.0 SUMMARY AND CONCLUSIONS

4.0 SUMMARY AND CONCLUSIONS

This report of the **Cultural Fabric of Hamilton and Area** probed five distinct areas of interest; (1) Types of arts and cultural organizations including their programs and activities; (2) Market and audience profiles; (3) Staffing; (4) Professional development; and, (5) Economic activity. An in-depth analysis of the activities of "non-profit" organizations was conducted and a limited analysis of "for-profit" organizations was undertaken. A more thorough analysis of the latter group was prevented because only 6 of the 102 for-profit organizations returned questionnaires.

4.1 Types of Organizations, Programmes and Activities

A wide range of different types of organizations were found to be involved in the arts and cultural community of Hamilton and the surrounding area; and, different functions tended to be performed by different sectors of the community. From the sample listing compiled by City staff, it was observed that more than two-thirds (68%) of the non-profit organizations, and only 2% of the for-profit businesses, were classified as "presenters". On the other hand, 29% of the private sector organizations were found to be involved with "educational services" as compared to only 7% of the non-profit organizations.

It was found that outside of the regular school system, and within the arts and cultural community, a large number of educational opportunities exist. Within the Hamilton area, 30 for-profit businesses and 11 non-profit organizations were identified as being engaged in providing educational services. Included in the list were theatre schools, dance schools, arts schools, conservatories or music schools, craft studios, recreation centres with enhanced arts programs, and so on. Actually, more than a quarter (29%) of the for-profit businesses provided educational services. When the programmes and activities were examined in the survey data, it was discovered that 44% of the non-profit organizations were involved in instructional classes relating to art, dance, drama, etc.; and, almost one-third (31%) were involved with professional development. (The analysis of the survey data for the "for-profit" organizations was limited.)

4.2 Market and Audience Profiles

The general appeal of the area's cultural activities was explored by examining the size of the community's membership in cultural organizations and by examining the organizations' market and audience profiles. It was found that over the past three years, there had been an annual (median) increase in the number of members and sponsors; but, that there had been some decline over the past three years in attendance at cultural events -- from 684,000 attenders in 1996 down to 656,000 attenders in 1998.

Almost one-quarter (23%) of the average audience came from outside of the region pointing to the strength of the local cultural community and the ability of organizations to draw audiences from outside their own municipality.

Opportunities were found to exist for more effective marketing. To illustrate the point, it was discovered that many organizations have teenagers in their audiences, yet teenagers represented only a very small percentage of the overall audience. Although 79% of the organizations reported having teenagers in their audience -- teenagers formed an average of only 8% of the global audience.

To be sure, opportunities for more effective marketing could open up if more organizations collected current information regarding their own market and audience profiles. Only three-quarters (78%) of the organizations surveyed provided this type of information in the questionnaires and reported that their answers were based on data collected within the last two years.

4.3 Staffing: Employees and Volunteers

It was found that 1,660 persons were employed in the arts. The most noticeable change in employment patterns over the years was an observed increase in the number of part-time jobs being provided by arts and cultural organizations. Also, these organizations have made greater use of contract employees in the nineties than was the case in the eighties. In the analysis, it was discovered that the median total number of full-time

employees currently was three, and, for part-time employees it was 4. On the other hand, the median for contract staff was a total of 18 workers. This trend of making greater use of part-time and contract workers is not unique to arts and cultural organizations; but rather, it is a trend which can be seen to-day in all sectors of society.

A total of \$19.8 million was found to have been spent on wages and salaries for staffing when all employees and contract workers were included. After deducting the cost of labour for the library boards from this study, the total labour related expenditures for 1999 were \$6.8 million which is an increase of approximately \$290,000 since 1985. (Library boards are rather large organizations and not typical of the majority of smaller arts or cultural organizations.)

The average total cost for labour related expenses in an arts or cultural organization was found to be \$898,000; but, the mid-point (median) cost -- where there is an equal number of organizations spending more on labour and an equal number of organizations spending less -- was only \$193,000 (for the median of 10 workers). This average cost per worker of only \$19,300 further indicates that these organizations have indeed tended to make extensive use of part-time and contract workers.

Extensive use of volunteers was also observed in the arts and cultural organizations. In fact, (32 of the 36) 89% of the organizations responding to the survey reported the use of volunteers. Overall, the respondents reported that a total of 4,251 volunteers contributed a combined total of 183,487 hours -- for an average of 43 hours per person per year. This time is given freely and has a projected total dollar value in excess of \$3 million per year, or, an average of more than \$700 per person per year.

When the averages and mid-points were reviewed, it was found that there was an average of 133 volunteers per organization contributing a combined average of 6,327 hours (or a projected equivalent of \$104,000 per year) to an organization -- this finding provided further converging evidence that non-profit organizations in the arts and cultural

community rely heavily upon volunteers. Indeed, few opportunities exist to further expand on volunteerism since most of the non-profit organizations already benefit from the use of volunteers.

4.4 Professional Development and Training

Different approaches to professional development were examined. It was observed that more organizations provided training in-house as opposed to having external producers perform this task. Also, there was a tendency for more organizations to provide technical training for its employees as opposed to its volunteers -- 36% of the organizations made this type of professional development available for its paid employees, but only 19% did so for its volunteers.

It was not possible to identify opportunities for professional development and training on the aggregate level for organizations performing different functions -- because of the small number of questionnaires returned and the distribution of the respondents across the seven different categories of organizational activities.

4.5 Economic Activity

"Total Expenditures" amounted to more than \$45 million (including the library system) for fiscal 1997/98 with 32 respondents reporting. "Total Expenditures", and "Total Operations Expenditures" in particular, were found to have increased over the three years studied.

"Total Revenues" had also increased annually. A steady annual increase was observed in revenues from donations/sponsorships and in revenues from endowment and investment funds. On the other hand, revenues from government grants displayed a downward trend and have steadily decreased from \$9.4 million in 1995/96, to \$8.7 million one year later, to \$8.6 million in fiscal 1997/98.

Earned revenues from ticket sales, subscriptions and memberships has tended to provide the greatest source of income for arts and cultural organizations.

Although there has been a steady annual increase in total expenditures by the cultural community as a whole, it was observed that the "average" total expenditure for an organization has actually declined steadily (after the number of persons responding was taken into account and the data were standardized). Whereas the analysis of the "total" financial activities showed a relatively vibrant cultural community (with only government grants on a steady decline), a similar analysis of the "average" financial activities of the cultural organizations presented a different picture.

When "average" revenues were examined, it was found that revenues from only donations and sponsorships exhibited an increase each year. "Average Total Revenues" had fallen – from \$1 million in 1995/96, to \$870,000 in 1997/98; also, the average size of endowment and investment funds had been regularly reduced – in 1995/96 these funds averaged \$1.2 million but fell to \$810,000 the next year, then to only \$617,000 in 1997/98. In addition, the average revenue received from government grants had consistently declined -- in 1995/96, the average revenue from this source for an organization was \$555,000, the next year it fell to \$459,000, then, down again to \$376,000 in fiscal 1997/98. Average earned revenues have fluctuated and no consistent pattern was observed.

On the "expense" side of the ledger, the "Average Total Expenditures" were observed to be approximately \$100,000 lower each year – in 1995/96, average expenditures totalled \$1.8 million, the following year the organizations spent an average of \$1.6 million, and, in 1997/98 the total expenditures averaged \$1.5 million. Average operations expenditures decreased annually accounting for the annual decrease in total expenditures -- in 1995/96, the operations expenditures averaged \$1.7 million; in 1997/96 they averaged \$1.5 million; and, in 1997/98 the cost of operations averaged \$1.4 million. Average capital expenditures, on the other hand, tended to fluctuate.

With respect to revenues, the "median" monies received from: (1) government grants; (2) earned revenues; (3) endowment and investment funds; and, (4) "Total Revenues", were all consistently lower in 1997/98 than in 1996/97; and, the figures for 1996/97 were consistently lower than in 1995/96. Median revenues received from

donations/sponsorships fluctuated. On the other hand, the "median" operations expenditures and "Total Expenditures" have steadily increased each year. Median capital expenditures were again seen to have fluctuated.

The results from the analysis of medians are particularly revealing and suggest that smaller organizations may be experiencing some financial difficulty -- their revenues are declining but their expenses are increasing.

4.5.1 Summary of Financial Activities

1. After comparing the "Total", "Average" and "Mid-point" findings, clear converging and convincing evidence was found in only one area of financial activity relating to the arts and cultural organizations -- revenues received from government grants have consistently declined over the three year period studied. This finding was observed when "Totals", "Averages", and, "Mid-Points" were all examined.
2. On the global level, the overall cultural community is vibrant with both "Total Revenues" and "Total Expenditures" exhibiting an increase each year.
3. There was converging evidence of a steady decline in the "average" total revenues for organizations active in the arts over each of the three years studied. This finding was observed when both the means and medians were inspected as measures of central tendency. This evidence raises some concern relating to the financial stability of some cultural organizations in the area
4. When expenditures were examined, there was further evidence for concern regarding the smaller organizations in the arts community. Although average total expenditures were observed to have decreased in each of the three years, the "Mid-Point" ("median") total expenditures were seen to have increased -- suggesting that smaller organizations may be experiencing more difficulty than larger organizations. Smaller organizations appear to be suffering from a decrease in revenues compounded by an increase in expenditures.

4.6 Presentation of Findings

The findings contained in this report were presented to the Arts Advisory Commission on May 27, 1999. As part of this oral presentation three "handouts" were distributed to Commission members for elucidation purposes. See Appendix C for a copy of these "handouts". The titles are:

- 1. Summary of Financial Trends**
- 2. Measuring Economic Impacts**
- 3. Understanding Totals, Means and Medians with Expenditures
and
Converging Evidence that Government Grants are Decreasing**

APPENDIX A

INITIAL

LETTER & QUESTIONNAIRE

Dear Council Members:

The Arts Advisory Board of the City of Vancouver is pleased to announce a Cultural Activity Analysis Study. This study is a key component of the City's ongoing efforts to support and enhance the cultural sector. The study will be conducted by a team of experts in the field of cultural activity analysis, including professionals from the City of Vancouver, the Vancouver Arts Commission, and the Vancouver Board of Film and Video. The study will provide a comprehensive overview of the cultural activity landscape in Vancouver, including the types of activities, the locations where they take place, and the people who participate in them. The study will also identify the challenges and opportunities facing the cultural sector and provide recommendations for how the City can better support and enhance it.

The findings of the study will be used to inform the City's cultural policy and programming. The study will also provide valuable information to the cultural sector, including artists, cultural organizations, and the general public. The study will be completed by the end of 2025. The City of Vancouver is committed to supporting and enhancing the cultural sector and is pleased to be conducting this study. We encourage all Council Members to participate in the study and provide their input. The study will be a valuable tool for the City and the cultural sector.

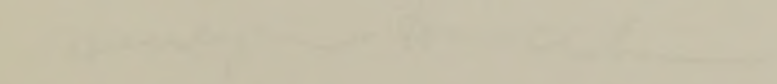
The objectives of the Cultural Activity Analysis Study are to:

- Identify the types of cultural activities taking place in Vancouver.
- Identify the locations where cultural activities take place.
- Identify the people who participate in cultural activities.
- Identify the challenges and opportunities facing the cultural sector.
- Provide recommendations for how the City can better support and enhance the cultural sector.

In completing the attached survey, you and your organization are helping the Arts Advisory Board to better understand the cultural activity landscape in Vancouver. Your input is valuable and will help the City and the cultural sector to make better decisions about how to support and enhance the cultural sector. We encourage you to complete the survey as soon as possible. The survey is available online at <https://www.vancouver.ca/cultural-activity-analysis>. The survey is also available in print form. If you would like a print form, please contact the City of Vancouver at cultural@vancouver.ca. We thank you for your participation in this study.

Thank you for your attention and participation.

Yours truly,



Maryam Hayat, Manager,
Cultural Services, City of Vancouver



CORPORATION OF THE CITY OF HAMILTON
Community Services Division

71 Main Street West, 4th Floor
Hamilton, ON L8P 4Y5

Tel. (905) 546-3967
Fax (905) 546-2338
www.city.hamilton.on.ca

March 1999

Dear Cultural Producer:

The Arts Advisory Commission of the City Of Hamilton is undertaking a **Cultural Activity Analysis Study** generously funded by the Hamilton Community Foundation. The survey will be distributed to a broad sector of the arts community of Hamilton and region, including presenters, producers, performers, publishers, distributors, arts educators, arts service organizations, and those trades and businesses that support the arts community in our area.

The changing nature of government and private/corporate subsidization of cultural activities has threatened the status quo of many groups. Theoretically the history, urban complexity and population demographics of Hamilton have appeared to demand a particular level of arts, educational and recreational activities to satisfy community needs. In the area of economic development, a comprehensive profile of Hamilton's cultural resources can be used to effectively and co-operatively plan and market our region both internally and externally.

The objectives of the **Cultural Activity Analysis Study** are to describe the overall cultural fabric of the community; and to analyze the information collected in order to identify opportunities for programme partnerships, more effective marketing, new funding mechanisms, volunteerism, economic development, and professional development and skills training.

In completing the enclosed survey, you and your organization will assist the Arts Advisory Commission in determining the nature and vibrancy of the cultural community of Hamilton and region. The survey results and analysis will be published and distributed to all organizations that participate in the study. We expect that the analysis will produce data that contributing organizations will find useful and beneficial to the development of operating, programming, and accounting initiatives and their relations with various government and cultural agencies.

Thank you for your attention and participation.

Yours truly,

Marilynn Havelka, Manager,
Cultural Services, City Of Hamilton

**CULTURAL ACTIVITY ANALYSIS STUDY
DEPARTMENT OF CULTURE & RECREATION
CITY OF HAMILTON**

Sponsored by the Arts Advisory Commission through the Department of Culture and Recreation, Cultural
Branch, City of Hamilton.

Generously supported by the Hamilton Community Foundation.

Please return, by fax or mail, by April 9, 1999.

To

Arts Consultant,
Department of Culture & Recreation, City Of Hamilton,
City Hall, 71 Main Street West,
Hamilton, ON L8N 3T4
905-546-2036
(fax)546-2338

CULTURAL SECTOR SURVEY

All financial information will be held in confidence. It will be used only to develop basic information on programs and activities of arts organizations and to collect detailed information on the economic and programme activity of the arts in Hamilton and region. The goal is to create a snapshot of the Hamilton and region arts community and, gather information which will assist in the identification of opportunities for programme partnerships, more effective marketing, new funding mechanisms, volunteerism, economic development, and professional development and skills training. The information gathered will be published in statistical aggregates that will not permit the identification of any individual organization without the consent of that organization.

Organization

Organization Name: _____

Address: _____

City: _____ Postal Code: _____

Date of Incorporation: _____

Website Address: _____

Person Completing Survey

Name: _____

Title: _____

Phone: _____ Fax: _____

Email Address: _____

Which one category best describes your organization in each of the categories below?

Type of organization by function.

Please check one of the following that best describes the principle activity of your organization. (Note: if you are uncertain about which category your organization belongs to, please refer to the attached Reference Sheet on page 6).

- ☐ Presenters
- ☐ Producers/Performers
- ☐ Publishers
- ☐ Distributors
- ☐ Education Services
- ☐ Service Organizations
- ☐ Other Organizations

Type of organization by labour status.

- ☐ Predominantly Volunteer
- ☐ Predominately Professional (paid) staff
- ☐ Combination of volunteer and professional (paid) staff

Type of organization by profit status.

- ☐ Not-for-profit
- ☐ For profit

Many of the following questions request that you supply annual information about your organization. The information you provide should correspond to fiscal year 1997/98 or calendar year 1997. Please indicate here the year for which your responses will apply.

Fiscal Year 1997/98 _____

Calendar Year 1997 _____

1. Employees

a) Number of paid employees :

- fulltime _____
- part time _____
- contract _____ (ie. Self-employed persons who worked on a fee-for-service basis)
- seasonal _____

b) Please provide actual dollar amounts for labour related expenditures paid by your organization to individuals who worked as employees and independent contractors.

- Total employee s- wages & salaries (including benefits) \$ _____
- Total independent contractors – wage & salaries (including benefits) \$ _____

c) Total number of volunteers _____

Though difficult to determine exactly, please provide us with an estimate (to the nearest 100 hours) of the time contributed annually to your organization by volunteers.

Total number of volunteer hours _____

2. Economic Activity

	1998/97 or 1997	1997/96 1996	1996/95 1995
Revenues			
Donations/sponsorships	_____	_____	_____
Government Grants	_____	_____	_____
Earned revenues (ticket sales, subscriptions, memberships, etc.)	_____	_____	_____
Size of Endowment/ Investment Fund (if any)	_____	_____	_____
Expenditures			
Operations expenditures	_____	_____	_____
Capital expenditures	_____	_____	_____

3. Organization's Programmes and/or Activities

Please check all relevant categories.

Temporary &/or Permanent Exhibitions _____ Performances _____

Equipment or Services _____ Instructional Classes (art, dance, drama, etc) _____

Professional Development _____ Advocacy _____ Other (describe) _____

4. Audience/Market Profile

a) Please record your total attendance figures for the following years:

1998 _____ 1997 _____ 1996 _____

b) Please record your total number of members/subscribers for the following years:

1998 _____ 1997 _____ 1996 _____

c) Please estimate the percentage of your audience that comes from:

Hamilton _____ %

Region (excluding Hamilton) _____ %

Outside of the region _____ %

100 %

d) Age Range:

Please indicate your audience profile by placing a % in each blank. The total should equal 100%.

Children _____ %

Teens _____ %

20 to 29 _____ %

30 - 59 _____ %

60 & over _____ %

100 %

e) Are your responses based on data collected by your organization within the last 2 years?

Yes _____ No _____

5. Training

In the last 12 months, has your organization provided for its employees and/or volunteers professional development through any of the following?

Means

- organized in-house - provided by external producers

Workshops	_____	_____
Lectures	_____	_____
Technical Training	_____	_____
Mentoring Programme	_____	_____

Participants

- employees - volunteers - both employees & volunteers

Workshops	_____	_____	_____
Lectures	_____	_____	_____
Technical Training	_____	_____	_____
Mentoring programme	_____	_____	_____

THANK YOU FOR COMPLETING THIS QUESTIONNAIRE

All organizations that complete the questionnaire will receive a copy of the final report.

REFERENCE SHEET - ORGANIZATION CATEGORIES

1. PRESENTERS

- Public Galleries/Artist-Run Centres
- Festivals
- Film Exhibitors & Societies
- Collectives
- Museums
- Libraries
- Other (historic sites, special events)

2. PRODUCERS/PERFORMERS

- Theatre Companies
- Dance Companies
- Opera Companies
- Choirs
- Orchestras
- Ensembles
- Series
- Musicians
- Composers
- Other Production Facilities (film, print)

3. PUBLISHERS

- (ie. Print, recording studios)

4. DISTRIBUTORS

- Film distributors
- Visual Arts distributors (commercial galleries)

5. EDUCATION SERVICES

- Theatre Schools
- Dance Schools
- Conservatories/Music Schools
- Arts Schools
- Other (universities, craft studios, recreation centres with enhanced art programmes)

6. SERVICE ORGANIZATIONS

- Local Arts Councils
- Cultural Centres
- Arts Service Organizations
- Single Media Guilds Foundations
- Associations
- Unions

7. OTHER ORGANIZATIONS

- Film & Video Equipment Rentals/leasing
- Musical instruments – dealers & repairs
- Framers
- Art Supply Stores
- Restorers & Appraisers

THE JEWEL ATTEMPT AND THE PEOPLE
REPRESENTATION OF CULTURE IN THE JEWEL
THE JEWEL

THE JEWEL ATTEMPT AND THE PEOPLE
REPRESENTATION OF CULTURE IN THE JEWEL
THE JEWEL

APPENDIX B

REMINDER LETTER

**CULTURAL ACTIVITY ANALYSIS STUDY
DEPARTMENT OF CULTURE & RECREATION
City Of Hamilton**

Sponsored by the Arts Advisory Commission through the Department of Culture & Recreation, Cultural Branch, City Of Hamilton.

Generously supported by the Hamilton Community Foundation.

The due date is up, and we have not heard from you. But, that's okay, we are happy to extend our deadline until

MONDAY APRIL 26TH, 1999

The information that we are requesting of you will be used by the Arts Advisory Commission, a volunteer committee of the City Of Hamilton representing the various disciplines that make up the arts community of Hamilton and region. At the table this year are representatives from the Hamilton & Region Arts Council, Te Deum Orchestra and Singers, Theatre Aquarius, Moffat Kinoshita Architects, the Ontario Workers Arts & Heritage Centre, the Hamilton Public Library, New Faces, as well as artist and citizen members. The Commission's members change regularly and on a rotating basis. In the Commission's capacity of liaison between the arts community and City Council, they function by supporting, celebrating, and communicating with the arts community through a variety of initiatives and activities.

Please consider assisting the Arts Advisory Commission to better serve and represent your organization to City Council by completing the attached questionnaire by

MONDAY APRIL 26TH, 1999.

Please return your completed survey by fax or mail to:

Arts Consultant
Department of Culture & Recreation, City Of Hamilton,
City Hall, 71 Main Street West,
Hamilton, ON L8N 3T4
905-546-2036
Fax 546-2338

THANK YOU!!!!!!

APPENDIX C

PRESENTATION HANDOUTS

"Summary of Financial Trends"

"Measuring Economic Impacts"

**Totals, Means and Medians with Expenditures
and
Converging Evidence that Government Grants are Decreasing"**

SUMMARY OF FINANCIAL TRENDS
The Cultural Fabric of Hamilton & Area

TABLE 2.24a GLOBAL TRENDS IN FINANCIAL ACTIVITIES

<u>Tend to INCREASE Each Year</u>	<u>Tend to DECREASE Each Year</u>	<u>Tend to FLUCTUATE Each Year</u>
Donations/ Sponsorships Size of Endowment Fund Total Revenues	Government Grants	Earned Revenues
Operations Expenditures Total Expenditures		Capital Expenditures

TABLE 2.25a TRENDS IN AVERAGE FINANCIAL ACTIVITIES

<u>Tend to INCREASE Each Year</u>	<u>Tend to DECREASE Each Year</u>	<u>Tend to FLUCTUATE Each Year</u>
Donations/ Sponsorships	Government Grants Size of Endowment Fund Total Revenues	Earned Revenues
	Operations Expenditures Total Expenditures	Capital Expenditures

TABLE 2.26a TRENDS IN MEDIAN FINANCIAL ACTIVITIES

<u>Tend to INCREASE Each Year</u>	<u>Tend to DECREASE Each Year</u>	<u>Tend to FLUCTUATE Each Year</u>
	Government Grants Earned Revenues Size of Endowment Fund Total Revenues	Donations/ Sponsorships
Operations Expenditures Total Expenditures		Capital Expenditures

21. After comparing the "Total", "Average" and "Mid-point" findings, clear converging and convincing evidence was found in only one area of financial activity relating to the arts and cultural organizations in Hamilton and the surrounding area -- revenues received from government grants have consistently declined over the three year period studied. (Page 39; 42; and, 44 – Tables 2.24a; 2.25a; and, 2.26a)

MEASURING ECONOMIC IMPACTS

The Cultural Fabric of Hamilton & Area

Total Revenues and Expenditures as Reported in Different Studies with Different Sample Sizes and Different Measuring Techniques

Year (Sample Size)	Total Revenues	Total Expenditures	Difference
1997/98 (N~36)	\$ 27.9 million	\$ 45.0 million	- 17.1 million
1996/97 (N~36)	\$ 27.3 million	\$ 41.1 million	- 13.8 million
1995/96 (N~36)	\$ 24.1 million	\$ 40.8 million	- 16.7 million
1990 (N~13)	\$ 11.6 million	\$ 6.8 million	+ 4.8 million
1985 (N~75)	\$ 14.1 million	\$ 12.0 million	+ 2.1 million

1. The 1985 study states that, **"The estimated total economic impact of arts and cultural industries in Hamilton-Wentworth and Burlington amounts to \$51 million."** (A 'ripple effect' was calculated using a 'multiplier' beyond the initial expenditures.)

Calculations were based, in part, on the survey reports of: attendance at events; salaries and fees paid out to artists and performers; purchases; and, other expenditures.

2. The 1990 study states that, **"The estimated total economic impact of arts and cultural industries in Hamilton-Wentworth amounts to \$64,585,000."** (A 'trickle down effect' was calculated using a 'multiplier' applied to initial expenditures.)

Direct cash inflows were measured from seven sources: box offices sales & receipts; fees collected; souvenir sales, donated funds, Federal government grants; Provincial government grants; and, Regional/Municipal government grants.

Indirect cash inflows were based upon attendance at events and the following five items: car transportation; parking charges; bus transportation; off-site food and beverage sales; and, accommodations.

This 1999 report does not calculate the economic impact of the arts and cultural industry in the area. The Report illustrates how "totals" are a function of the number of respondents and how differences in results can be due to differences in questionnaire construction or question phraseology when using survey research to measure either "Total Revenues"; "Total Expenditures"; or, "Attendance". (Attendance was measured at approximately 900,000 in 1990 -- but only in the range of 670,000 in this 1999 study.)

UNDERSTANDING TOTALS, MEANS AND MEDIANS WITH EXPENDITURES and CONVERGING EVIDENCE THAT GOVERNMENT GRANTS ARE DECREASING

The Cultural Fabric of Hamilton & Area

(1) EXPENDITURES: Understanding Totals, Means and Medians

The combined **"TOTAL"** expenditures of the 31 organizations reporting was \$45 million.

— This might seem high since it was \$14.1 million in 1985, and only \$11.6 million in 1990.

There were a different number of organizations in each study

.... so let's look at the average.

The **"AVERAGE"** total expenditures of the 31 organizations was \$ 1,452,000

--- \$45 million divided by 31 organizations = \$ 1,452,000

This may still seem to be high for a typical arts organization,

.... so let's look at the mid-point.

The **"MID-POINT"** is a total expenditure of \$ 229,000 for an organization.

--- 15 organizations have a total expenditure of more than \$229,000 and

15 organizations have a total expenditure of less than \$229,000.

	(1)		(2)		
	1997/98 Total Expenditures		1997/98 Total Grants	1996/97 Total Grants	1995/96 Total Grants
TOTAL (Simple sum)	\$ 45,000,000 (N=31)		\$ 8,648,000 (N=23)	\$ 8,730,000 (N=19)	\$ 9,427,000 (N=17)
MEAN (Simple average)	\$ 1,452,000 (N=31)		\$ 376,000	\$ 459,000	\$ 555,000
MEDIAN (Simple mid-point)	\$ 229,000 (N=31)		\$ 54,000	\$ 78,000	\$ 180,000

(2) GOVERNMENT GRANTS

The **Total Grants** received go down each year -- read across the TOTAL row.

There were a different number of organizations reporting for each year

.... so let's look at the average.

The **Average Amount** of grants received is also down each year -- read across.

This may still seem to be a lot of money in grants for a typical arts organization,

.... so let's look at the mid-point.

The **Median Amount** of grant money received is also down each year -- read across.

The size of the grant monies now seems more reasonable,

*... there is an equal number of organizations receiving more
and an equal number of organizations receiving less.*

**There is converging evidence no matter how you look at it;
Government grants to arts organizations
are always going down!**

